

Who's Conservative?

DEBATING THE GOP'S IDENTITY CRISIS. A TIME FORUM

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present



TIME THIS MAN IS BUSTING WALL ST.

Prosecutor **Preet Bharara** collars the masters of the meltdown

The Party. Circa 1957.



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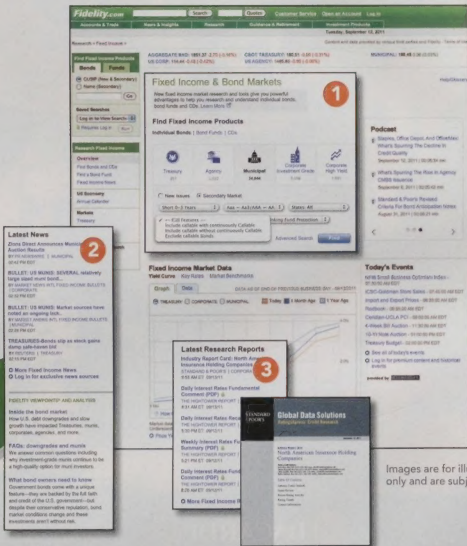
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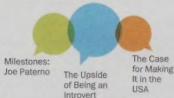


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Editor's Desk

TIME stories that elicited the most mail



Leveling the Playing Field



THE HISTORY OF NEW YORK crime fighters' confronting corruption is a long and distinguished one. Think Teddy Roosevelt, who as New York City police commissioner vowed to fight "vile crime and hideous vice." As a special prosecutor, Thomas Dewey tackled racketeering and corrupt politicians in the 1930s. More recently, Rudy Giuliani took on insider trading and organized crime, while Mary Jo White, the first female U.S. Attorney for the Southern District, relentlessly pursued terrorists, including those responsible for the 1993 bombing of the World Trade Center. In each case, they stood for principles that transcended the local—and all of them but White ran for President.

U.S. Attorney Preet Bharara can't run for President—he was born in India—but he fits into that aggressive tradition. Great prosecutors need not only boldness and courage but also the right cultural moment. Bharara's cases come at a time when the public feels no one has been held accountable for the excesses that led to the Great Recession of 2008–09. Americans have read about subprime mortgages, collateralized debt obligations and rampant insider trading and wondered, Who is going to be held responsible? Bharara, New York's first Indian-American U.S. Attorney, cannot do this job single-handedly, but he's become the symbol of confronting those who did not play by the rules. It's a truism that when regulation and legislation fail, litigation takes their place. In fact, Bharara sees his task as one of fairness, attempting to level the playing field for the little guy. The Bharara profile reflects weeks of behind-the-scenes reporting by Washington correspondent Massimo Calabresi. "Bharara's both an unabashed moralist and a court-tested Mob prosecutor," says Calabresi. "Which makes him unusually well suited for the U.S. Attorney's job and a lively subject for a profile."

Rich

Richard Stengel, MANAGING EDITOR



THE CONVERSATION

'I started out very, very shy as a kid.'

So claimed former Vermont governor and chairman of the Democratic National Committee Howard Dean in response to our Feb. 6 cover story, **"The Power of Shyness."** (Since Dean made the admission on national TV, he must have gotten over it.) Charlie Rose pointed to an even more eminent leader on the upside of not being the life of the party: "The Pope himself says silence is very, very important. It helps us understand ourselves." Meanwhile, introverts found a perfect place to publicly express their approval: online social media. On Twitter, Erin Friedman @stillmarried echoed the sentiments of many when she declared, "Thank you @TIME for recognizing the Power of Shyness," while Tom Abenis joked on the magazine's Facebook page, "I can't buy this. I'm too shy to get a copy." Don't worry, Tom, we'll come to your tablet too.

Up Next ...

On Feb. 26, one movie will win Best Picture at this year's Oscars. But what's the best Best Picture of all time? Help us decide by voting in **TIME's Best Best Picture bracket competition**. From Feb. 6 to 24, we'll be pitting 16 contenders against one another. (*Annie Hall* is among them; *Shakespeare in Love* is not.) You can vote each day on the better of two titles, and the final results will be published in **TIME's Pop Chart** pages. To cast your vote, go to entertainment.time.com.



MAIL



Introverts, Unite!

Re "The Upside of Being an Introvert" [Feb. 6]: At last, a vindication of who I really am! After a lifetime of sticking to my guns regarding my tendency to avoid large groups (as in, "Yes, I really like you, but no, I don't want to go to your party"), I finally find a rational explanation for my preferences. I plan to send your article to the many friends and relatives who have posited their own sometimes unflattering theories about why I'd rather be alone.

Wendy Calkins, RENO, NEV.

Introverted adults have mastered coping mechanisms like the writer's retreating to the bathroom at parties. (Helping in the kitchen and holding the baby also work.) Introverted kids are still learning to play by the extroverts' rules. I cringe when I see parents push too hard, and bless the rare teachers who are sensitive to shy students. Thanks for celebrating the quieter third of the population.

Catherine Pagliuca, WOODBRIDGE, N.J.

Paterno's Legacy

In the end, Joe Paterno's life certainly took some unfortunate turns [Milestones, Feb. 6]. To say that "he died a tragic figure," however, is a misrepresentation of a good man and a disservice to your readers. The many testimonials to his commitment and service to Penn State reflect an exceptional human being and a life well lived. They greatly outweigh any omissions for which Paterno may have been responsible.

Chip Fossett, READING, PA.

Political Insight

Andrew Ferguson's column "A Newt for All Seasons" was funny and insightful about the chameleonesque candidate who can change his persona to fit any audience [Feb. 6]. I continue to be impressed with the way Gingrich can ignore any question and blame all of our problems on D.C. insiders and the media. I hope we'll hear more from Ferguson in the future.

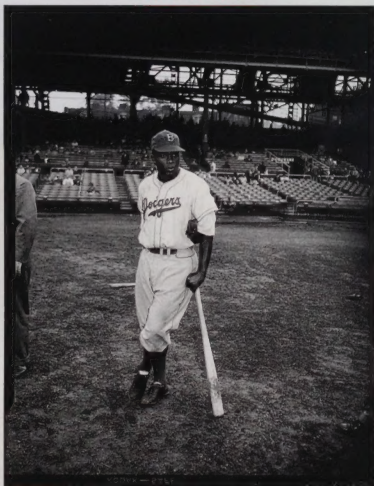
Randy Oates, PUNTA GORDA, FLA.

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LIGHTBOX

American Player

Charles "Teenie" Harris began chronicling Pittsburgh's black working class in the 1930s and also shot this portrait of Jackie Robinson circa 1947. A selection of his work is now on view at the city's Carnegie Museum of Art.

HEALTHLAND

'And yet our drug policies continue to be regressive and completely unscientific.'

FELLONEARTH, on a study detailed in "Magic Mushrooms Expand the Mind by Dampening Brain Activity" (Jan. 24)



MONEYLAND



One of @TIME's most popular tweets: "Study: The best time to buy cheap airline tickets is 6 weeks before a flight" (Jan. 24)

TECHLAND

'Working conditions in China are bad. But Apple's main manufacturer, Foxconn, is better than most.'




NANOGEK, on "Will the World Ever See Fair-Trade iPads?" (Jan. 27)


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A close-up, out-of-focus shot of a Peace Corps volunteer's head and shoulder in the foreground. The volunteer is wearing a black cap with a circular patch that features the American flag and the words "PEACE CORPS".

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who do.

A group of children are playing in a dry, grassy field under a bright, cloudy sky. One child in the foreground is captured in mid-air, jumping or running. Other children are scattered in the background, some standing and some moving.

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Briefing

'A competitive primary does not divide us. It prepares us.'

1. **MITT ROMNEY**, after handily winning the Jan. 31 Florida Republican primary, his rival Newt Gingrich says he will campaign on through the next 46 states

'It is time for all the members of the U.N. Security Council to live up to their responsibilities instead of shielding those who have blood on their hands.'

2. **DAVID CAMERON**, British Prime Minister, appealing to Russia to back a draft resolution that demands the resignation of Syrian President Bashar Assad

'Our sky is our sky, not the USA's sky.'

3. **ADNAN AL-ASADI**, Iraq's acting Interior Minister, after U.S. drones were found patrolling Iraq one month after U.S. troops withdrew from the country

'Trashing buildings and fighting with police is not what 99% of the 99-percenters are about.'

4. **ELLIS GOLDBERG**, a Northern California marketer who has staged Occupy-inspired protests, on Occupy Oakland demonstrators who broke into city hall, vandalized parts of the building and burned a U.S. flag

'Dad, you won. You can go home now.'

5. **JAY PATERNO**, speaking at the memorial service for his father, former Penn State football coach Joe Paterno



**\$1.02
MILLION**

Amount raised by comedian Stephen Colbert's super PAC, Americans for a Better Tomorrow, Tomorrow, according to the Federal Election Commission

490%

Spike in sales of the Green's 1971 song "Let's Stay Together" after President Obama sang a line from it at a campaign event Jan. 19



42%

Drop in Lipitor sales since the cholesterol reduction drug's patent protection expired in November and generic options became available

**1.35
MILLION**

Number of condoms distributed at the African National Congress's centenary celebration that were later recalled because of suspected defects



Bringing

LightBox



Little great ones

Hundreds of underprivileged children in the eastern Indian city of Kolkata dress up as Mahandas Gandhi in honor of the national hero, 64 years after his death.

Photograph by Bikas Das—AP
lightbox.time.com



World



A woman weeps in the Syrian city of Rankous as fighting rages outside

Civil War, Global Dispute

1 | SYRIA The crisis in Syria took center stage at the U.N. Security Council as representatives from the Arab League, the U.S. and other Western countries pushed for a resolution that would ask Syrian President Bashar Assad to step down. But Russian and Chinese envoys warned they would veto any resolution that paved the way for an outside intervention. Speaking at the U.N., U.S. Secretary of State Hillary Clinton insisted that the world was not "headed toward another Libya." (A Security Council resolution last March served as the basis for the sustained NATO campaign that helped topple Libyan dictator Muammar Gaddafi.) In close to a year since protests erupted against Assad's rule, at least 6,000 Syrians have been killed. In the environs of the capital, Damascus, security forces loyal to Assad clashed with defectors, who have banded together to form what they call the Free Syrian Army. Observers warn of the likelihood of a full-blown sectarian civil war, pitting the remnants of the Assad regime—dominated by the country's Alawite and Christian minorities—against the long-disaffected Sunni Muslim majority. As the diplomats duke it out in New York City, things in Syria may get much worse before they get better.

JAPAN



**90
MILLION**

Projected population of Japan by 2060, down 30% from the current 128 million, with two-fifths over age 65

Freedom Is Messy

2 | LIBYA Rival militias sparred in the streets of Tripoli in the latest sign of the instability plaguing the oil-rich country months after a NATO-backed rebellion ousted the regime of Muammar Gaddafi. No one was killed in the skirmish between factions from the cities of Zintan and Misratah—brigades that played key roles in the war against Gaddafi and now remain in the Libyan capital, vying for control over strategic locations like Tripoli's airport. The incident highlights the challenge facing the new leaders of a country riven by tribal and regional splits and flush with guns. Earlier, fighters still loyal to Gaddafi briefly captured the town of Bani Walid.

Which Side Are You On?

3 | PAKISTAN A secret NATO report based on interviews with some 4,000 captured Taliban fighters claims elements within Pakistan's military and government are still backing the Islamist insurgency in Afghanistan. Leaked to the BBC and *Times* of London, the report deepened the conviction in Kabul and Washington that Pakistan plans to dominate its neighbor through proxies like the Taliban—created, in part, by Pakistan's military-intelligence agency. Pakistani Foreign Minister Hina Rabbani Khar dismissed the report as "old wine in an even older bottle." But as trust between the U.S. and Pakistan slumps, she may need to be far more convincing.

CUBA

'The greatest competition of idiocy and ignorance that has ever been.'

FIDEL CASTRO, retired Cuban leader, offering his views on the U.S.'s Republican presidential primaries





Deep Freeze

4 | GERMANY A train chugs through a snow-covered forest in central Germany. After a period of relatively mild weather, parts of Northern and Eastern Europe faced a brutal cold snap, with temperatures in some places dropping to -22°F (-30°C). At least 71 deaths have been reported as a result of the glacial weather; in Ukraine alone, 43 died, including a number of homeless men.

A Dismal Accounting

5 | SPAIN Unemployment in the euro zone is at its worst since the currency was rolled out in 1999, according to new numbers compiled by the E.U. The continent-wide figure of 10.4% belies vast discrepancies among member nations. Countries such as Spain and Greece face grave societal challenges: In Spain, youth joblessness is close to 50%. Other nations, though, are experiencing more-customary rates of unemployment. E.U. leaders called for concerted and united action to promote growth and create jobs. In a time of austerity, that's easier said than done.



FIGURES ARE PERCENTAGES. SOURCE: EUROSTAT



An X marks the image of President Wade

Defiance in Dakar

6 | SENEGAL Angry mobs clashed with police in what's considered one of Africa's most stable countries after a court ruled that President Abdoulaye Wade, 85, could run for a third term, despite a two-term limit in Senegal's constitution, because the limit was added after his first term began in 2000. The court also barred three opposition candidates from running in the country's Feb. 26 elections, including music star Youssou N'Dour, who vowed to appeal.

Hey, What's the Big Idea?

How Obama is profiting from a Romney adviser's theory about American power

BY MICHAEL CROWLEY

MITT ROMNEY LIKES TO SAY Barack Obama has resigned himself to a world in which the U.S. is no longer a mighty power. "Our President thinks America is in decline," Romney said in December. A Romney campaign policy paper elaborates, saying Obama's team is not only reconciled to a weakened America but sees that decline "as both inexorable and a condition that can and should be managed for the global good rather than reversed."

As Romney runs against a President who has killed Osama bin Laden, neutralized al-Qaeda and toppled Muammar Gaddafi, this larger critique of Obama's vision might be Romney's best—and maybe only—avenue for scoring points on national security. But the White House insists that Obama firmly believes the U.S. remains a global power with an essential leadership role to play. To drive home this point, the President and his top advisers have been citing an unlikely source—a new book by one of Romney's key foreign policy advisers.

In *The World America Made*, Robert Kagan challenges the idea that the U.S. is in decline. He says that's an overreaction to short-term events—including the finan-

cial crisis—that overlooks the U.S.'s continued economic, military and political dominance. What's been exaggerated, he says, is American power in the good old days. The U.S. has never dictated world affairs, argues Kagan, who cites periods like the 1970s—Vietnam, oil shocks, Iran hostage crisis—when our demise seemed nigh. But only American leadership, Kagan writes, can guarantee the survival of a liberal democratic order internationally.

These ideas struck a chord with a President accused of leading a great American retreat. Before his State of the Union address, Obama spent 10 minutes in a meeting with television news anchors discussing excerpts from Kagan's book recently published in the *New Republic*. That night he declared that anyone who says the U.S. is losing influence "doesn't know what they're talking about." National Security Adviser Tom Donilon later touted the Kagan theory in a PBS interview as "very sophisticated."

Kagan, 53, hardly seems like a natural Obama ally. A Ph.D. historian and former Reagan State Department official now based at the Brookings Institution, Kagan is a passionate democracy promoter who is often called a neoconservative. He was a gung ho Iraq war backer, as was his brother

Frederick Kagan, a military strategist who helped design George W. Bush's 2007 troop-surge policy. (Their father is Yale University classical historian Donald Kagan.)

Robert Kagan even advised Obama's rival John McCain in 2008. But since then he's been welcome at the White House, enjoying good relations with Donilon and his deputy, Denis McDonough, and offering his views on Egypt and Russia. He has met with Obama more than once in small groups of thinkers to discuss policy. And last summer his diplomat wife Victoria Nuland became a lead spokeswoman at Hillary Clinton's State Department.

Even so, Kagan hopes to vote this fall for Romney, whose campaign has named him one of 23 special advisers. Romney hailed Kagan as someone from whom he had "learned a great deal" in the acknowledgments of his 2010 book, *No Apology*—which hammered Obama's foreign policy.

Kagan is more charitable toward the President. He cheered the U.S. intervention in Libya, writing last March that Obama had acted in the "great tradition of American Presidents who have understood America's special role in the world." He also applauded Obama's 2009 troop increase in Afghanistan. And his book backs Obama on other points, noting that he is hardly the first U.S. President to fail at brokering Middle East peace and praising his nuclear-nonproliferation efforts.

What the White House doesn't promote is Kagan's tougher criticisms. He says Obama is withdrawing too quickly from Afghanistan and calls his failure to negotiate an extended troop presence in Iraq "a disaster." He says by phone from Kuwait, "I've been at varying points supportive and at varying points critical."

Kagan says his friends in the Romney campaign have "made it clear that they see the political use that this is being put to." And his book's thesis is tempered with a warning. The U.S. could still slip into decline, he argues, if the U.S. slashes military spending too dramatically. You probably won't hear Obama, who has asked Congress to make hundreds of billions of dollars in Pentagon cuts, cite that part of Kagan's thesis. That will have to come from the Romney campaign—and maybe Kagan himself—this fall.

A SMALL WORLD AFTER ALL

Romney says Obama has let America's clout overseas slide



Obama made Hillary Clinton his top diplomat and has praised Kagan's book



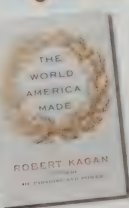
Clinton recently hired Victoria Nuland as a top spokeswoman



Robert Kagan, a foreign policy adviser to Romney, says the U.S. is not in decline



Nuland is married to Kagan



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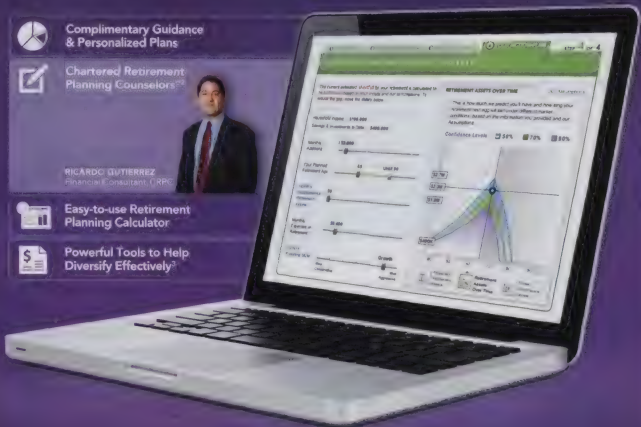
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Health&Science

Can Anesthesia Cause ADHD? How surgery may affect children's behavior

By Alice Park

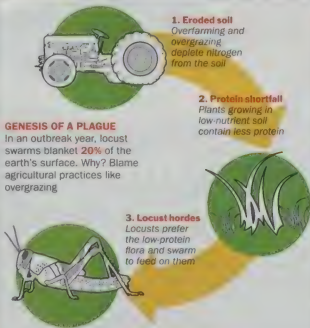
ANY OPERATION INVOLVES RISKS, but the hazards for the youngest surgical patients may last longer than doctors thought. After analyzing the health records of 5,357 children, researchers found that those who had undergone two or more surgeries by the time they were 2 years old were twice as likely to be diagnosed with attention-deficit/hyperactivity disorder (ADHD) by age 19 as children who had had only one surgical procedure.

The researchers suggest that one reason for the higher rates of ADHD may be anesthesia. Shutting down a child's brain, even temporarily and under controlled conditions, could interfere enough with the normal development of cognitive networks to contribute to mental and behavioral problems later. In previous work, the same scientists documented a doubling of learning disorders in children who had had multiple surgeries by the time they were 2.

Still, that doesn't necessarily mean that anesthesia causes ADHD. Although the scientists adjusted for other contributing factors like whether the babies were born prematurely or had other health conditions, they said it's still possible that the medical conditions requiring some children to have multiple surgeries in the first place may be driving their risk of ADHD.



KILLER DIET Orcas are already the top predator of the oceans, and because of warming temperatures and melting sea ice, their Arctic killing grounds are expanding, threatening the marine ecosystem. They're eating fewer fish and more aquatic mammals like seals and baleen whales twice their size.



CANCER Pink Protest

Women's health and anti-abortion advocates are clashing over the decision by leading breast-cancer organization Susan G. Komen for the Cure to stop providing funds for breast-cancer screening to Planned Parenthood centers. Komen for the Cure said a newly adopted policy prevents it from supporting any group under government investigation; Congress is currently probing whether Planned Parenthood improperly funded abortions with federal money intended for reproductive education and services. Many breast-cancer survivors remain unconvinced, noting that Komen has been under pressure from conservative groups since its partnership with Planned Parenthood began in 2005. —A.P.

Percentage of doctors who discussed weight with patients



NORMAL WEIGHT OVERWEIGHT

OBESITY

Physician, Weight Thyself

What does your doctor have to do with your weight? More than you might think. In a study of M.D.s and their care of heavy patients, doctors who were overweight or obese were less likely than their slimmer peers to discuss weight loss with their overweight or obese patients—especially if their patients weren't as heavy as they were.

Milestones



White at the
Boston Garden
in 1995

DIED

Kevin White

By Colin Diver

The late 1960s was an era of enormous possibility about what could be done at the city level, and that attracted a lot of talented people to work in dingy old city halls. In the spring of 1968, Kevin White, the new mayor of Boston, showed up at the *Harvard Law Review* banquet and said, "You should not serve the world of mammon. You should serve the world of public good." I took him seriously and went to work for him. White, who died Jan. 27 at 82, shepherded the city through the upheavals of court-ordered busing to integrate schools—his biggest challenge and in many ways his biggest accomplishment. He said, "My job is to get these kids to school safely and get them home safely." He stuck with that and rode out a very tough period.

In his 16 years as mayor, White really built the new Boston. He was an amazing character. For a kid who grew up in the suburbs and didn't know much about that kind of "twinkle in the eye" Irish politician, he was the embodiment of it in all its richness. There may well be people who serve longer, but it's hard to believe that anybody will make a bigger impact on the city than he did.

Diver, the president of Reed College, served as special counsel during White's first term

DIED

Camilla Williams, 92, the first black woman to perform a lead role with a major U.S. opera troupe; the soprano also sang at the 1963 Washington civil rights march.

WON

The Australian Open, by Novak Djokovic, who defeated Rafael Nadal in a 5 hr. 53 min. match, the longest Grand Slam singles final in pro-tennis history.



DIED

Nicol Williamson, 75, a mercurial British actor who courted controversy as Hamlet and Macbeth onstage and as a cocaine-shooting Sherlock Holmes on film.

SCORED

The first perfect 100 in Winter X Games superpipe history, by snowboarding star Shaun White, who won his fifth consecutive gold medal in the event.

STRIPPED

British knighthood, from former Royal Bank of Scotland CEO Fred Goodwin, after he led the 285-year-old bank into the world's largest bailout: £45.5 billion.

DIED

John Baker Jr., 66, a 5 ft. 2 in. (157 cm) former gymnast who knocked out six enemy bunkers and saved eight GIs in a 1966 Vietnam battle and was awarded the Medal of Honor.

DIED

Eiko Ishioka

Her father was worried that Eiko Ishioka would be eaten alive by the Japanese design world of the 1960s. He should perhaps have feared for the industry. The Academy Award-winning designer (for the costumes in 1992's *Bram Stoker's Dracula*), who was 73 when she died Jan. 21, shot like a flare through the worlds of art direction, graphic art and costume design. After starting her own ad agency in Japan in the '70s, she moved to the U.S. and began to work on movies and stage shows. Her signature look was fierce, structured, color-saturated eroticism: high ribbed collars, slinky coats of armor and sinister headgear. It's no surprise that some of her best work was for women as larger than life as she was—Grace Jones, Faye Dunaway, Bjork and Julie Taymor. Plus, *Snow White*. Her last film, *Mirror*, *Mirror*, is out Mar. 30.

—BELINDA LUSCOMBE

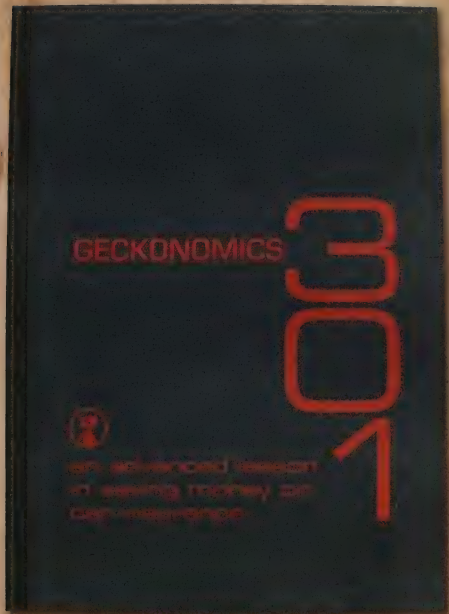


DIED

Don Cornelius

Soul Train creator Don Cornelius was found dead, a suicide, on Feb. 1 at 75, a sad ending to the life of someone who brought us one of the purest expressions of joy ever to take the form of a TV show. But *Soul Train* wasn't just a good time. It was of its times, an example of how something as simple as good music and dancing can make an important cultural statement. Cornelius was influenced by the civil rights movement and saw that developing a national media platform for soul music was its own kind of small political statement. He had his issues with adjusting to change over time. But Cornelius and the show he popularized are rightly still touchstones among musicians and music fans today.

—JAMES PONIEWOZIK



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Rana Foroohar



Companies Are the New Countries

U.S. corporations are moving beyond the national interest. And so are the jobs

THE OCCUPY THE WORLD ECONOMIC Forum protests that took place on the outskirts of Davos in late January were small but pointed. One protester held a sign that read, IF VOTING COULD CHANGE ANYTHING, IT WOULD BE ILLEGAL. They captured a sense of frustration with capitalism, sure, but more important, frustration with government. In 2008, after Lehman Brothers fell and the global recession began, the conventional wisdom was that we were entering an era in which government would take back power from business. In fact, just the opposite has happened.

The high-profile political figures disappointed at Davos: German Chancellor Angela Merkel was angry and depressed by turns, and U.S. Treasury Secretary Tim Geithner was even more defensive and combative than usual. Europe remains a mess, the U.S. recovery is fragile, and emerging markets—the only bright spot in recent years—are slowing. Politicians have few solutions to the huge problems of the day: labor bifurcation, debt and inequality. Markets want answers, but leaders can't provide them, in part because bold action carries too much political risk for them.

Meanwhile, the top companies seem to exist in a world apart: they are booming. If there was a metatheme to this year's World Economic Forum, it is that the world's largest companies are moving beyond governments and countries that they perceive to be inept and anemic. They are operating in a space that is increasingly supranational—disconnected from local concerns and the problems of their home markets.

The problem was voiced succinctly by an Apple executive who said recently in a *New York Times* story, "We don't have an

obligation to solve America's problems." It's a sentiment that was echoed on TIME's Davos Debate panel in Davos: business leaders blamed for not sharing the \$2 trillion in wealth sitting on corporate balance sheets argued that they did create jobs and prosperity—just not in the U.S.

It's an argument that has more moral weight than you might think. You can say that creating jobs in China and India, for example, increases global well-being



more than creating them in the U.S. would, since per capita GDP in those countries is so much lower. Nitin Nohria, dean of Harvard Business School (HBS), told me that as an Indian immigrant, he has some sympathy with that argument. Yet, he says, "companies are also becoming aware that if everyone feels the way Apple does, there will be a tragedy of the commons. We do rely on the health of our home markets, and multinational firms can't turn their back on them." Economist Clyde Prestowitz, writing in *Foreign Policy*, notes that while Apple may not feel obligated to solve U.S. economic issues, it expects Uncle Sam to protect

intellectual property rights and to keep waterways safe so that it can deliver its made-in-China products.

It's a problem that will only deepen.

President Obama stoked enthusiasm for a U.S. manufacturing revolution in his State of the Union speech. But a new and very sobering HBS survey of 10,000 high-powered alumni puts things in perspective: most of the firms bringing jobs home are making rational, not national, calculations. Rising energy costs mean it's now cheaper to manufacture at home, a situation that can quickly reverse.

Conversely, many firms sending jobs abroad are doing it not to get lower wage rates but because skills overseas are better, at least in relation to wages. It's a scary trend that speaks to the growing bifurcation in Western labor markets. Experts like Nobel laureate Chris Pissarides say we can't innovate or educate our way out of this problem.

So where does that leave us? Do the people running global companies have any responsibility to their home markets? Should they even be taking on roles that beleaguered and indebted states can't handle any more in areas like education, health care and infrastructure development? (GE High School, anyone?)

There was also a growing sense at the forum that the U.S. should get serious about industrial policy and start subsidizing and pushing strategic industries as hard as China does or even slap tough tariffs on the goods of competitors that don't abide by international trade rules.

The bottom line: if the U.S. and Europe can't keep good jobs at home, they risk becoming "just a nice place to take a vacation," as Merkel said in her keynote speech. It came into sharp relief at Davos that the core idea of the Enlightenment—free-market capitalism and democracy go hand in hand to create the best society—is evolving. And the struggle to create a new model may well pit nation against nation, corporation against government, poor against rich. Occupy that. ■

THE STREET FIGHTER

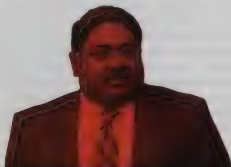
**U.S. ATTORNEY PREET BHARARA
HAS ALREADY TAKEN DOWN
SOME OF THE FINANCIAL WORLD'S
MOST PROMINENT FIGURES.
HE'S JUST GETTING STARTED**

By Massimo Calabresi and Bill Saporito



The avenger
*Bharara is using new tactics
to combat fraud*

RAP SHEET. PREET'S BIG FISH

**RAJ RAJARATNAM**

Galleon Group

CHARGED 10/16/2009

SENTENCED 10/13/2011

ON APPEAL

The former hedge-fund chief is serving 11 years—a record sentence for insider trading—for crimes yielding him an estimated \$72 million, according to prosecutors.

**DANIELLE CHIESI**

New Castle Funds

CHARGED 10/16/2009

SENTENCED 7/20/2011

IN PRISON

The trader, who pleaded guilty, is serving 30 months for leaking illegal information to Rajaratnam and others who prosecutors say earned her fund \$1.7 million.

**JAMES FLEISHMAN**

Primary Global Research

CHARGED 12/16/2010

SENTENCED 12/21/2011

DUE TO REPORT TO PRISON

The executive at an expert networking firm was sentenced to 30 months for helping move illegal information between tech companies and hedge funds.

ON WALL STREET AND IN FINANCIAL firms across America, the conference call is a standard workday tool. Traders, analysts and executives hop on to discuss trades, news and rumors that might move the market. Such was the case at the hedge fund Level Global Investors on Nov. 4, 2009, when one of its analysts joined a call organized by a second firm, Primary Global Research. PGR connects hedge funds, brokerages and other market players with executives of corporations—a Wall Street matchmaker of sorts—and on that day, PGR had some hot information for the hedges at Level Global.

Too hot.

Unknown to the participants, Preet Bharara, U.S. Attorney for the Southern District of New York, was recording the conversation, and he wasn't looking for stock tips. A confidential informant had told his office that the party line was being used illegally to trade inside information. Bharara, who has launched a war on Wall Street crime, wanted proof. So he obtained a secret court order to join the conference call—something of a first for a U.S. Attorney. "Significant officials at publicly traded companies are casually and cavalierly engaged in insider trading," Bharara said on Jan. 24, sitting in his corner office behind Manhattan's city hall. "Because insider trading has as one of its elements communication, it doesn't take rocket science to realize it's nice to have the communication on tape."

Now Bharara is targeting an even more

infamous Wall Street excess. On Feb. 1 he charged three former high-ranking Credit Suisse executives with fraud for inflating the value of mortgage bonds they held in 2008 in order to protect their bonuses as the housing market collapsed around them. Kareem Serageldin, head of the bank's structured-credit group, managing director David Higgs and Salmaan Siddiqui, a vice president in the investment-banking division, allegedly "papered over" more than \$500 million in losses, according to the indictment, contributing to an eventual \$2.65 billion write-down for Credit Suisse. Higgs and Siddiqui have pleaded guilty and are co-operating with the government. These are some of the first prosecutions of crimes involving residential-mortgage-backed securities, instruments that helped underwrite the housing bubble that led to the financial collapse.

In postmeltdown America, Main Street has been baying for some high-paid Wall Street heads to roll, and the 43-year-old Bharara is supplying them. His tactics are not always conventional. Prosecutors normally unravel criminal conspiracies one crook at a time, working their way slowly up the chain of command, and Bharara is doing some of that. But in an unusual and still controversial feat of prosecutorial moxie during his investigations of insider trading, Bharara and his team got a warrant to tap multiple people on the PGR conference call, beginning in early October 2009. The tap,

**HE'S WON 56
CONVICTIONS—
SEVEN
CASES ARE
PENDING—AND
HE'S HAD
NO LOSSES**



WALTER SHMOON

Electronics

CHARGED 12/16/2010
GUILTY PLEA 7/3/2011
AWAITING SENTENCING

The former employee of an Apple electronics supplier leaked details of the top-secret iPad to hedge funds. He pleaded guilty and will be sentenced in 2013.

RAJAT GUPTA

McKinsey & Co.

CHARGED 10/26/2011
TRIAL SCHEDULED FOR 4/9/2012

Accused in October 2011 of leaking secrets about Goldman Sachs and Procter & Gamble, where he had served on boards, Gupta faced additional charges in January.

ANTHONY CHIASSON

Level Global

CHARGED 1/18/2012
TRIAL PENDING

Tipped by his employee Spyridon Aonondakis, Chiasson made illicit trades in computer companies Dell and Nvidia, resulting in \$72.6 million in profit, according to the SEC.

which would cover 104 PGR employees and clients, gave Bharara a big net. The evidence that he and his staff would accumulate through that and other classic Mob-busting techniques like flipping lower-lever defendants into informants has led to the arrests of 63 people on insider-trading and other stock-fraud-related charges. Through pleas and at trial he's won 56 convictions—seven cases are pending—and he's had no losses.

Those traders may not have caused the meltdown, but since he arrived on the job in August 2009, Bharara has been targeting what he calls Wall Street's culture of greed. "There was a creeping culture of corruption in our politics and also in Wall Street and in business generally," he says. Bharara is aiming high, making arrests so far up Wall Street's food chain that hedge-fund bosses may be wondering about picking up the phone.

One of those arrested was Anthony Chiasson, high-flying co-founder of Level Global, whose trades, say the feds, made \$72.6 million in profits for the firm over more than two years. Another is Raj Rajaratnam, the former boss of the \$7 billion hedge fund Galleon Group, who is in jail for securities fraud and conspiracy while he appeals his 11-year sentence, which was delivered last October after a lengthy trial. Bharara has also charged former McKinsey & Co. CEO Rajat Gupta—like him a first-generation immigrant from India who made it in the U.S.—with securities fraud. And having arrested John Horvath,

BHARARA LEADS WHAT EXPERTS CALL THE THIRD WAVE OF WALL STREET PROSECUTIONS

who worked at Sigma Capital, a unit of SAC Capital Advisors, Bharara has now alleged illegal activity inside the \$14 billion hedge fund of Wall Street biggie Steven Cohen. Neither Cohen nor his firm has been accused of any wrongdoing. "He's bringing a lot of very high-profile cases," says his predecessor in the job, former New York City mayor Rudolph Giuliani, who says Bharara's done a "great job."

To his critics, Bharara's prosecutorial reach is perilous to innocent bystanders. The definition of *insider trading* has never been clear. And the mere appearance of Bharara has been enough to send investors fleeing (with their cash) from hedge funds once they become his target. Level Global is finished; FrontPoint Partners, once a \$7 billion firm, was reduced to a shell after one of its analysts was busted. At the same time, political pressure for more arrests is mounting. An election-year posse is being formed in Washington to try to round up the perpetrators of the Great Recession. President Barack Obama unveiled during his State of the Union address in January a new task force to investigate mortgage fraud by big banks.

To hear him tell it, Bharara is after something bigger than just arrests. In his insider-trading cases, Bharara says he is not targeting hedge funds but rather leveling the playing field for all investors at a time when fairness is vitally important. "Insider trading tells everybody at precisely the wrong time that everything is rigged," he says, "and only

people who have a billion dollars and have access to and are best friends with people who are on boards of directors of major companies—they're the only ones who can make a true buck." Ultimately, though, justice comes in court, after the perp walks and the press conferences are long forgotten, and it is there that Bharara's choice of cases—and his tactics—will be judged.

The Third Wave

BHARARA IS THE TOP COP ON THE BEAT AT a time when Wall Street is experiencing its third major prosecution wave since the late 1980s. Giuliani made enough successful big-time busts during the first wave to launch a political career that culminated in a presidential run. His was the junk-bond era—marked by the crash of '87—when corporate takeovers fueled by "high yield" debt were frequent and inside information was a valued currency. He nailed Drexel Burnham Lambert's superstar banker Mike Milken and arbitrageur Ivan Bosky on charges related to insider trading. And he made drama a tool of his trade: the sight of Robert Freeman, the highly respected head of arbitrage at Goldman Sachs, being led away in handcuffs from the firm's trading floor was one of the most stunning scenes of the era.

New York Attorney General Eliot Spitzer was the star of the second wave, during the dotcom-bust days in the 2000s. Leveraging New York State's nominal jurisdiction over what usually are considered federal cases, he zeroed in on Wall Street's all-too-cozy relationships among investment bankers, analysts and firms' best customers in dispensing hot tech-stock IPOs. Spitzer also targeted the Street's research analysts' penchant for placing "buy" recommendations on every other piece of dotcom garbage their firms were taking public. During the same period, U.S. Attorneys in Houston took advantage of a relatively new law that made it a crime for corporate executives to deprive shareholders of "honest services." Down went Enron CEO Jeff Skilling and Hollinger's Conrad Black on honest-services fraud and other charges. Other big fish like WorldCom's Bernie Ebbers and Tyco's Dennis Kozlowski were also jailed.

There's a link between the Spitzer era and Bharara's current cases. Spitzer's spotlight helped prompt new regulations that forced the large financial firms to divest themselves of some in-house research capabilities to prevent collusion between research-chasing analysts and their stock-peddling colleagues. The idea

was to strip the big brokerage firms of their access to inside info and give equal access to all investors. Instead, the activity was essentially outsourced to people who left the firms to set up their own research organizations—what would become known as expert networks—which then sold the information back to the Wall Street firms. Expert networks like PGR got good at penetrating corporations and connecting traders on the outside with corporate operatives on the inside who had useful information to sell.

What Bharara was listening for on the conference call in November 2009 was very specific: nonpublic information that could move stock prices. It is a violation of federal securities law to conspire to make money on "material nonpublic information," and in an FBI affidavit filed to U.S. District Judge Kevin Duffy, the feds claimed probable cause against at least eight of the potential 104 people who used the PGR line. Duffy granted the wiretap in early October 2009.

Over the months that followed, Bharara's team would mine the resulting wiretap warrant for all it was worth. On the Nov. 4, 2009, call, for example, Dan DeVore, a global supply manager for computer maker Dell who was paid in total more than \$145,000 by PGR, told Spyridon "Sam" Adonakis of Level Global that computer sales had jumped from 60,000 units a day to as high as 200,000 units a day, thanks in part to the introduction of

the new Windows 7 operating system. DeVore also gave Adonakis details on future pricing of Dell's computers. And he slipped Adonakis forecasts for the company's growth in coming months. All of this gave Adonakis a leg up on the market. DeVore briefed at least nine other analysts about Dell's prospects on the conference line over the next six months. When Bharara finally arrested him in December 2010, DeVore pleaded guilty to wire fraud and conspiracy and began cooperating with the government. It is a sign of how useful he is—and how much further Bharara plans to take this strand of his investigation—that DeVore's sentencing is not even scheduled until December 2013.

Giuliani says Bharara has chosen his cases wisely and well. "He's bringing responsible cases," Giuliani tells TIME. "When you make these high-profile prosecutions, you're deterring a lot of crimes."

Born to Prosecute

BHARARA GOT TO THE SOUTHERN DISTRICT from the ground up. He was born in the Punjab city of Ferozepur, where his father, a doctor, was struggling to raise a family. When Bharara was 2, his father brought the family to New Jersey via England, and Bharara remembers him drawing a contrast between how things worked in India and how they did in their new country. "I remember him talking about seeing bribes being passed, even among doctors [in India], which he thought was not the way it should work," Bharara says.

Bharara developed a first-generation immigrant's passion for the American way of government. In his first week at Harvard, he engaged in a now famous all-night argument with another newcomer, Viet Dinh, who later became a powerful lawyer in the George W. Bush Administration and an author of the Patriot Act. Dinh argued that the framers of the Constitution believed men's souls were evil, while Bharara insisted they thought they were good. By the time they went to breakfast the following morning, they were best friends. Back then, it was already clear to Dinh where Bharara was headed. "His unwavering focus has always been to become a prosecutor," Dinh says.

Seven years after Columbia Law School, Bharara got his chance, joining the Southern District, one of the largest, most powerful and most respected federal attorney's offices in the U.S. Assigned to the organized crime unit, he teamed up with the agents busting figures from the Colombo and Gambino families. It was there, says his friend Bill Burck, a

**HE LOVES
BRUCE
SPRINGSTEEN
AND CLASSIC
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ALL SIDES OF
THE POLITICAL
SPECTRUM**

former deputy White House counsel for Bush who served with him as a prosecutor, that Bharara developed his signature mix of Ivy League training and wise-cracking, blue collar casemaking.

It was also in that job that Bharara learned the value of a wiretap. "When you're trying to make a racketeering case that involves charges of extortion, which by definition include threats of violence, and you have a guy saying, like you might see on *The Sopranos*, 'I'm going to staple your eyeball,' that's pretty good evidence. And you get that all the time," Bharara says.

In 2005 he showed he had political smarts, getting himself a job as a judiciary-committee aide to New York's senior Senator, Chuck Schumer. Bharara arrived in Washington a known quantity, thanks to his friendships with Republicans like Burck and Dinwiddie, both of whom were already in the Bush Administration. That made him a trusted interlocutor between the Administration and the Democrats in Congress when accusations of political influence over prosecutors arose under then Attorney General Alberto Gonzales in 2006. Bharara became the lead investigator, uncovering political motivations behind the firing of nine U.S. Attorneys by top Gonzales aides. The investigation started the ball rolling that would eventually topple Gonzales and result in subpoenas against top White House officials, including Karl Rove and White House counsel Harriet Miers, and make Bharara's boss, Schumer, look good. In early 2009, Schumer encouraged newly elected President Obama to make Bharara the new U.S. Attorney in Manhattan.

Will His Perps Walk?

THE JURY IS STILL OUT ON WHETHER Bharara's war on this third wave of Wall Street crime will produce longer-lasting results than his predecessors' efforts did. Much depends on whether his convictions are upheld on appeal—and the defendants in these cases have the means to make the challenges that sometimes lead to reversals. The 1968 federal law on wiretaps explicitly limits the government's right to listen in on calls where there is no probable cause that a crime will be committed. And the definition of exactly what constitutes insider trading remains a hurdle. "Neither the SEC nor Congress has ever defined *inside information*, nor has either succeeded in specifying the level of significance the information must have to be the subject of a criminal violation," says Henry G. Manne, a dean emeritus of the George Mason University School of Law.

INSIDER TRADING TURNS WALL STREET INTO A RIGGED GAME

No prosecutor wins every case. While most of those overheard on the conference call who were charged with insider trading have pleaded guilty to securities fraud and conspiracy, at least one, PGR's James Fleishman, has not. "It should be tremendously scary for anyone who works in a large organization" that government prosecutors can tap conference-call lines that are used by multiple innocent people, says Ethan Balogh, the lawyer for Fleishman. Courts have been generous in judging whether a wiretap is reasonable, and Judge Jed Rakoff of New York's Southern District denied Balogh's motion to suppress the conference-call wiretap evidence and sentenced Fleishman to 30 months in prison. Fleishman is appealing to the U.S. Second Circuit Court of Appeals; the case could go all the way to the Supreme Court, thanks to the government's admission in its request for the tap that it didn't have probable cause against 93 of the 104 people it planned to eavesdrop on.

History shows a mixed record for forward-leaning prosecutors. Giuliani's highest-profile Wall Street target, Robert Freeman, served just four months in prison and paid a \$1 million fine—for mail fraud. Appeals courts rolled back some of the honest-services-fraud convictions related to Enron and Conrad Black, and in 2005, the Supreme Court unanimously nullified the government's victory against Enron's accounting firm Arthur Andersen, a bitter end for the

more than 25,000 employees who lost their jobs when the company folded in the wake of the lower court's 2002 conviction. Spitzer's civil suit to force New York Stock Exchange CEO Dick Grasso to return part of his multimillion-dollar pay package was drop-kicked by the appeals courts, as were other high-profile cases he brought on his way to the governor's mansion. Brendan Sullivan, the defense lawyer who successfully defended Alaska Senator Ted Stevens after his indictment on charges based on prosecutorial witness rigging, says we are at a historical extreme of prosecutorial power. "The pendulum has swung fully toward prosecutors," he says. "So it's all the more important that you have prosecutors with a keen sense of justice."

Sullivan is right, of course, and that's why warrants have to be okayed by judges. But it is also true that politics can sometimes drive prosecutions at every level of government, and there is a danger in wanting to criminalize the recession. The Obama Justice Department has launched a new wave of investigations of people behind the mortgage-lending free-for-all that nearly destroyed the economy when the housing bubble burst in 2007. Three years of prior investigations haven't yielded much criminal prosecution. Greed by itself isn't a crime. In trying to make Wall Street fairer to all investors, Bharara is in some respects acting as a regulator. Given the dithering in Congress over consumer financial protection, state and federal prosecutors get the job by default.

Bharara, who is not part of the new task force but says it is a "welcome addition," echoes Sullivan's call for prosecutorial standards. "In this office, we talk every day about doing what is right by the law and by our conscience and try to use the most aggressive technique that is appropriate to the task at hand, within limits of the law," he says.

That kind of talk explains why some friends say Bharara has the potential to become the first Indian American in a top spot at the Justice Department or in the courts. For now, though, Bharara says more insider trading arrests are on the way, a statement he knows has its own power to deter potential criminals. "Securities fraud generally and insider trading in particular should be eminently deterable crimes," he says. With Bharara on the beat, they are. But eventually Wall Street's appetite for making money will once again test the skills, and tactics, of America's prosecutors. ■

THE CONSERVATIVE IDENTITY CRISIS

America's political conservatives have long been a blended family with different strains, beliefs and priorities. Can they unite this year to defeat a President they all agree must go?

BY DAVID VON DREHLE

WAITING FOR THE CONSERVATIVE BASE IS THE campaign-trail version of *Waiting for Godot*. Confusing plot, but audiences still find it gripping. For months we've heard that Mitt Romney, a former governor of liberal Massachusetts, could not win the Republican presidential nomination because the conservative base would rise up to oppose him. Rick Santorum of Pennsylvania promised to deliver the CB after the Iowa caucuses. Instead he lost three primaries in a row. Newt Gingrich's thunderous win in South Carolina seemed to herald the CB's arrival. Nope. Now Romney has survived another existential crisis by sweeping the Florida primary on Jan. 31. And we're still waiting.

Like Samuel Beckett's audiences, we begin to wonder if we're waiting for something that doesn't exist.

According to polls, conservatism is the most popular political philosophy in the U.S.: 2 in every 5 Americans say they embrace it, according to Gallup. That's twice the number who say they are liberal. Yet the image of a party's "base" suggests a solid foundation, and the Republican race has revealed some deep cracks in the conservative movement—dividing antiabortion social conservatives and live-and-let-live libertarians, separating the isolationist heirs of Robert Taft from the nation-building heirs of George W. Bush's "freedom agenda," culling the pragmatists at the Chamber of Commerce from the ideologues of talk radio and distinguishing country-club insiders from Tea Party outsiders.

Some of these cracks are almost as old as the movement itself. Modern conservatism was born in the early 1950s after the extraordinary 20-year reign of Franklin D. Roosevelt and his chosen successor, Harry Truman. Conservative economics had been blamed for causing the Great Depression, and conservative isolationism for inviting World War II. Amid the rubble of

a discredited ideology, a young writer named Russell Kirk unearthed a rich philosophical tradition going back to British writer and politician Edmund Burke; Kirk's 1953 book *The Conservative Mind* was a sensation, influencing a generation that included William F. Buckley Jr., Barry Goldwater and Ronald Reagan.

Kirk's was never the only brand of conservatism, but his ideas were like a magnet pulling others toward them, and steadily, a coalition of the right was formed. Kirk emphasized the religious roots of society, which spoke to the rising Christian conservatism of the 1970s. He counseled slow and orderly change rather than radical or utopian schemes; this made his movement a welcoming home for Americans unnerved by the social revolutions of the 1960s and '70s. He held that individual property is the root of freedom, which rang a bell with the free-market economists of postwar London and Chicago, disciples of Austrian Ludwig von Mises. And he cherished traditional values and local institutions rather than shiny new ideas from central headquarters, which made his philosophy a comfortable place for the inevitable backlash against Washington and the New Deal.

If that sounds tidy, it's because it's all compressed into one paragraph. In the long run, some of these alliances became quite messy. For example, the individualism nurtured by the Austrian school of free-market economics was a prickly match for Kirk's ideal of ordered, traditional authority. Even the conservative hero Thomas Jefferson, with his capacious mind, had trouble reconciling "Don't tread on me" with "Thy will be done." By 1963, the free-market individualist Willmoore Kendall had made a "declaration of war" on Kirk's movement with his own book, *The Conservative Affirmation*.

This division endures in the determined fragments of the



The Many Faces of Conservatism. **Libertarians:** Leave us alone goldbug isolationists with growing youth appeal but no clear place in the GOP. **Neocons:** America's first interventionists who led the charge into Iraq and now warn of an Iranian threat. **Chamber conservatives:** Low regulation, pro-business, free marketeers who support orderly amnesty for illegal immigrants but not tax hikes for the rich. **Tea Partiers:** No deficit to corn revolutionaries with class and burn budget designs. **Values voters:** Washington-wary worshippers of reading against gay marriage, abortion and moral decay.

GOP devoted to the devout Santorum on the one hand and renegade individualist Ron Paul of Texas on the other. Yet for some 40 years, a common enemy welded the strands of conservatism together: Soviet communism. The imperial ambitions of Lenin's descendants posed a mortal threat to Kirk's philosophy and Kendall's too. Communism was radical rather than gradual, central rather than local, utopian rather than humble, atheistic rather than religious, classless rather than ordered, totalitarian rather than free. The longer the Soviet Empire went on, the stronger the conservative movement grew, until ultimately Ronald Reagan became the only President since Roosevelt to not only be re-elected but also pass the office to his chosen successor—a rare feat of political strength in American history.

Since the end of the Cold War, conservatism hasn't enjoyed such unified power. The strands are still out there and going strong, but no one has been able to tie them all together. Despite serving two terms, George W. Bush was by one measure the weakest twice-elected President in history; he alone never managed to win at least 60% of the electoral vote. By the end of his presidency in 2009, the awkward alliances within the conservative movement were badly broken.

Today we have a figure like Representative Paul Ryan of Wisconsin, whose budget proposal galvanized the right in 2011, extolling author Ayn Rand—whose views were, according to Kirk, “as alien to real American conservatism as is communism.”

The split is just as wide over foreign policy. During the early 1970s, the rise of the antiwar movement inside the Democratic Party drove a band of so-called neoconservative hawks into the Republican coalition. As former New Dealers, the neocons never shared the small-government orthodoxy of Kirk or Kendall.

Their influence was enormous during the Bush years. They funneled their leftover anticommunist energies into the war on terrorism, never blinking at Big Government expansions like No Child Left Behind and Medicare Part D. By 2006, when the Democrats recaptured Congress, *neocon* was a dirty word not just on the left but on much of the right as well.

Even the splinters in the conservative base are splintering. According to some polls, young Evangelical Christians are drifting away from the social agenda of their parents, especially over issues like same-sex marriage.

So it should be no surprise that the Republican field has been a mosh pit of fracturing and forming and refracturing alliances, hoisting one candidate after another to the top of the polls. Republicans have been yearning for someone to catalyze the old coalition. Romney appeals to a shared desire for victory, Gingrich to a shared set of grievances, Paul to one brand of ideological purity and Santorum to another.

This same yearning helps account for the rosy nostalgia for Reagan that has been the hallmark of this campaign. He was the high-water mark of the coalition's power; now he is the face of lost unity. Not even the Gipper, though, has sufficient star power to fill the conservative big tent today. Young libertarians are increasingly immune to his charms. Listen to the influential writer Nick Gillespie as he opens up on Reagan—an “FDR Democrat,” he says, who “saved entitlements for the old and the relatively wealthy by jacking up payroll taxes on the young and relatively poor.”

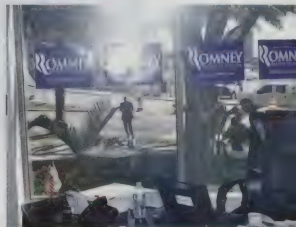
So the CB has been onstage all along. While the world has waited impatiently for the grand arrival of a god throwing thunderbolts, sweeping in from stage right to settle matters in the final act, the fragments of the old movement have been busy battling among themselves. The question of 2012 is whether they will resolve their feuds long enough to beat Barack Obama in November. That's the plot of another drama. ■

SUNSHINE STATE SHOWDOWN

A week in the life of Florida—primary politics in pictures

Photographs by Ricarda Lewandowski

TO SEE THE FLORIDA PRIMARY UP CLOSE,
GO TO time.com/lightbox



WHAT IS A CONSERVATIVE?

Mitt Romney's march toward the Republican nomination has provoked a lively conversation about what it means to be a conservative in America today. *TIME* asked several voices of—and experts on—the right to ponder the question. A sampling:

Purge the Party Now; Win in 2016

BY ERICK ERICKSON

THE INTERNECINE FIGHTS we are witnessing are about a conservative movement starting to separate itself again from the Republican Party. Unfortunately, neither of the front runners has legitimate conservative integrity to claim the banner of conservative movement leader, but they will both try. Mitt Romney will hold the banner for conservatives within the GOP, and Newt Gingrich will hold the banner of the traditional alliance of conservatives without.

Conservatives will probably need one more election cycle either fighting an incumbent Republican President or starting over in 2016 with a fresh, clean slate purged of potential heirs to the Bush years to finally decide whether the movement will stay fully entwined with the GOP as an organ of the party or transition back to its traditional place as a key player within the GOP but with truly independent identity.

Erickson blogs at RedState.com

Standing on the Verge of Greatness

BY RICH LOWRY

THIS ISN'T A CRISIS; IT'S A PRIMARY. A dispiriting one, to be sure, but it shouldn't obscure the significant strengths of contemporary conservatism.

The historic 2010 elections that produced a conservative majority in the House led to the passage in that chamber of a genuinely transformational budget in the form of the Ryan plan. Every Republican presidential candidate swung around some version of that plan, the centerpiece of a partywide policy consensus that is to the right of any other in recent memory. There are robust conservative alternative media across all platforms, a mature network of national and state-based think tanks and an aroused grassroots movement that sprang up spontaneously in 2009 and breathed life into a GOP discredited by the decadent phase of the Bush years and devastated by its defeat in the Obama sweep. American public opinion is broadly conservative and highly distrustful of the federal government. If this is a crisis, every ideological movement should want to suffer one.

About that primary: it is generating more heat than light. Romney has all the hallmarks of a classic Establishment Republican and

Gingrich of a conservative upstart. But neither is challenging the triad of postwar conservatism consisting of limited government, traditionalism on social issues and a muscular national defense. The starkest differences between the two have to do with style and background. Surely, Romney is not the presidential candidate Tea Partiers had in mind when their uprising began. Yet his candidacy tells us something about the historic rightward trend in the party. Here is the son of George Romney, a Rockefeller Republican in good standing, running to be the champion of a thoroughly Reaganite party.

The domestic priorities for a Republican President have already been teed up: repeal Obamacare, sign the Ryan budget, and—although this isn't as fleshed out—reform taxes. Should these happen, it would reverse liberalism's major gains from 2009 to 2010 and headline what would be the most consequential period of conservative reform since Reagan.

Lowry is the editor of National Review

Not a Stake But a Say

BY NICK GILLESPIE

THE CURRENT CRISIS IN THE conservative movement is embodied in a GOP presidential primary season in which the two front runners used to support the health care mandate that is supposedly the ultimate sign of Barack Obama's third-world socialist tendencies. Conservatives never really believed in shrinking the size and scope of government, at least not when they were running the show. That's why we are \$15 trillion in debt and are poised to re-elect a President whose stimulus was an utter failure by his own predictions, whose extrajudicial killings of American citizens are justified by Bush Administration dicta and whose health care plan has increased premiums even before it has been put into practice.

The next President needs to provide stability in an unstable world by pushing through a budget that betrays at least a passing acquaintanceship with reality. Knowing that the feds are not about to start bold new programs or invade new countries or transform whole industries would allow Americans to start planning for a future in which we might have not just a stake but a say.

Gillespie is the editor in chief of Reason.com and Reason.TV

Crisis. What Crisis?

BY ANN COULTER

IS THERE A CRISIS IN THE conservative movement? No! This is our moment of triumph! At long last, Rockefeller Republicans are only a bitter memory. Even as recently as 2008, Republican candidates for President included one avowedly proabortion candidate (Rudy Giuliani), one candidate who had opposed Bill Clinton's impeachment (Fred Thompson) and one who supported amnesty for illegals, backed federal laws to combat nonexistent global warming, opposed the Bush tax cuts, wanted to shut down Guantánamo and called waterboarding "torture" (our nominee, John McCain). The only danger now is that some small number of Republicans seem to be adopting the mob characteristics of the left: worshipping political figures as gods (Ronald Reagan ... *who does his dentist support?*), being mesmerized by catchphrases and slogans ("Kenyan colonialist!" "RINO!") and showing a susceptibility to self-promoting charlatans more interested in getting a gig on Fox News than saving the country.

Coulter is a commentator, author and syndicated columnist

'Conservatives ask
only one thing of
government: they
want to be left alone.'

—RONALD REAGAN, *THE GREAT SPEECHES*



Only Halfway There

BY RAMESH PONNURU

AMERICAN CONSERVATIVES aim to conserve our political inheritance from the founders. The past few years have seen a revival of interest in the Constitution and Declaration of Independence as documents that should guide our political life. But the conservative defense of the country's founding principles is incomplete as long as it fails to apply them to the challenges of our day: to show rather than just say that those principles amount to timeless wisdom. Conservatives have barely begun to outline a plausible alternative to Obamacare. Our economic ideas too often seem like well-developed answers to the problems of 1981. We have failed to persuade black, Hispanic and Asian citizens that our philosophy promotes the interests of the whole nation. And none of us are quite sure what to do about the intolerable fact that in our society, family stability seems increasingly to be a luxury good. Conservatives may be able to defeat Obama without meeting these challenges, but we will not be able to achieve the more profound objectives to which that defeat is only a means.

Ponnuru is a senior editor at National Review

Could You Just Leave Us Alone, Please?

BY GROVER NORQUIST

CONSERVATIVES ASK ONLY one thing of the government. They wish to be left alone. They do not want the government to steal money from their neighbors and give it to them. They want taxes low and lower. They want property rights protected for all. They want to be in charge of educating their own children. They wish to practice their own faith and transmit it to their children without government "help" or interference. They want their Second Amendment rights respected. They want their professional and business lives to be left alone by the government. They would not be serfs or civil servants taking orders from an imperial city. Nor would they be czars themselves.

Conservatives are not antigovernment, just as cancer doctors are not anticell. Conservatives oppose government's growing so large and intrusive that it becomes destructive of human liberty. That is why conservatives respect and support the American military and police. That part of government, properly constrained by the Constitution, is responsible for protecting our liberty. American conservatives are a threat to no honest man or woman or any peaceable nation. We wish to be left alone to run our own lives as we choose. And we demand that the government provide the same liberty to our countrymen.

Norquist is the president of Americans for Tax Reform

'I believe that freedom of the individual—as opposed to good works or “social justice”—is by far the highest goal any society can strive for.'

—SHELBY STEELE, HOOVER INSTITUTION FELLOW

We Are Wary of Utopian Promises

BY PETE WEHNER

CONSERVATISM IS A MANSION with many rooms, but as a general matter, conservatives respect the Constitution for the limitations it imposes on the power of the state and believe the Declaration of Independence is the sheet anchor of our liberties.

Conservatives also believe that America, while an imperfect nation, has been a tremendous force for good in the world. While conservatives acknowledge limits on U.S. power and influence, they believe (unlike many libertarians) we should oppose tyranny in other lands. And conservatives believe in the primacy of a strong national defense.

There is also something like a conservative disposition, which is characterized by an appreciation for the

complexity of human society, the limitations of politics and the dangers of mistaking politics for soul saving. The danger facing statesmen, the great conservative Edmund Burke warned, is when they view self-government "as if it were an abstract question ... not a matter of moral prudence and natural feeling."

American conservatism tends to be more hopeful and less dour than, say, British conservatism. It looks to the future rather than remaining fixated on the past. And it is eager to embrace change and reform as social circumstances shift. But true conservatism is wary of revolutionary rhetoric, utopian promises and efforts to remake the world.

Wehner is a senior fellow at the Ethics & Public Policy Center

Out of One, Many?

BY RICHARD LAND

The modern conservative movement was always a coalition of disparate groups often more united by what they opposed than by what they affirmed. Once the Soviet Union collapsed, the fissures in American conservatism became more visible.

Words From a Founder

BY SAM TANENHAUS

"CALLING FOR SMALLER government is essentially a meaningless idea, because what we need is not larger or smaller government but government that does the job it's supposed to do." It wasn't Obama who said this; it was Harry Jaffa, 93, who wrote Barry Goldwater's incendiary acceptance speech at the 1964 GOP Convention. Every ambitious Republican President since Abraham Lincoln understood this, whether it was Theodore Roosevelt reining in the trusts, Dwight Eisenhower muscling through the interstate highway system or Richard Nixon, who began his first term in 1969 with a plan "not to dismantle the Great Society but to try to do it better," to quote Daniel Patrick Moynihan, the Democrat whom Nixon recruited to lead his anti-poverty program. Nixon knew that Americans, much though they professed to dislike Big Government, still expected it to solve the most pressing social problems. Long ago, the archconservative Robert Taft, "Mr. Republican," famous for battling the New Deal, spoke not of undoing government but of achieving "sound government." He pushed for federally subsidized low-income housing and the promise of "reasonable material standards of living."

Should a Republican win in November, the challenges facing him will include a shrinking job base and a struggling middle class afraid it can't afford college for its children. The public will demand solutions. Even an antigovernment President will be equated with government. He will need to find a way to make it work and do the job it's supposed to do.

Tanenhause is the editor of the New York Times Book Review

Land is the president of the Ethics & Religious Liberty Commission



WHAT'S NEXT FOR NEWT?

Long on opinions but short on cash, the former Speaker vows to fight on. Why Newt Gingrich won't quit the race soon

BY MARK HALPERIN

NEWTON GINGRICH IS DOWN BUT—at least in his hyperenergetic mind—nowhere near out. “We are going to contest everywhere, and we are going to win, and we will be ... the nominee in August,” he said in Orlando, just a few hours after losing to Mitt Romney by 14 points in the Florida primary.

Defiance at this grim juncture is standard procedure for ideological also-rans. February will likely be a winless waste land for Gingrich, with a half dozen uphill contests and only one debate to regain some altitude. His bank account is nearly drained, while Romney and his allies have ample cash to flood the airwaves, just as they did in Florida. And the pro-Romney party establishment will step up its public

and private efforts to declare the battle over.

Gingrich is well aware that he has been a pathetic candidate of late, squandering his time and energy complaining about Romney's attacks, neglecting to present a substantive agenda, plummeting to self-pitying depths and trying to make an issue out of minuscule aspects of Romney's record.

But there are valid reasons to stay in the race under the circumstances. First, the rules: As the Gingrich team points out, a mere 5% of the 2,286 delegates have been selected so far. Even if Romney wins every available delegate, he won't clinch the nomination until late April. And for the next few months, nearly all the GOP contests award their spoils proportionally rather than by winner take all, allowing even a second-place finisher

Not over yet? A friendly calendar will keep Gingrich nipping at Romney's heels

like Gingrich to collect delegates and prevent Romney from pulling far ahead in the count anytime soon.

Then there's the calendar: While the handful of contests in February favor the former Massachusetts governor, the landscape shifts in March. Gingrich can pick his spots in coming weeks, launching counterattacks next month on friendly terrain in Georgia, Alabama, Mississippi, Louisiana, Tennessee, Oklahoma and Texas.

Finally, there are the voters: Gingrich's biggest opportunity remains the restless Tea Party, whose members retain suspicions about Romney's claims that he's a conservative. In Florida, Gingrich beat Romney 41% to 30% among very conservative voters, although Romney held his own with Tea Partiers. In the meantime, Gingrich needs to rest. Like most politicians, he tends to make his biggest mistakes when he is tired, and in Florida he was clearly worn out. Once refreshed, Gingrich plans to give some major policy speeches to show off his positive vision and brand Romney as “a pro-abortion, pro-gun control, pro-tax-increase Massachusetts liberal.” He plans to present his Beltway experience as a plus, focus on economic growth and tout his history of leadership in the conservative movement. Says Gingrich senior adviser Kellyanne Conway: “He needs to get out of the mosh pit and back up to the podium.”

The gut-it-out strategy has been tried before—by George H.W. Bush in 1980, Jesse Jackson in 1988 and Hillary Clinton in 2008. Those crusades fell short, as historian Gingrich surely knows. More likely, his inspiration is Ronald Reagan, who in 1976 fought Gerald Ford all the way to the convention in Kansas City, Mo., before accepting defeat. Reagan, who was 65 that year, had time to run again, and he did. At 68, Gingrich knows this is his last, best chance at the White House.

Which means that, more likely than not, Gingrich must prepare for a dignified exit. In public he will promise his faithful one more run at Romney; in private he will have to weigh how he wants to be remembered by his party. One of Gingrich's closest advisers, hopeful his boss can regroup, would like to see him rise to the occasion: “He can either be the candidate of big ideas,” he says, “or of petty grievances.” —WITH REPORTING BY ALEX ALTMAN/WITH GINGRICH ■

TECHNOLOGY

This Is Your Life

(According to Your New Timeline)

AT FACEBOOK'S F8 DEVELOPERS Conference in San Francisco last September, CEO Mark Zuckerberg introduced the site's new page motif, Timeline. F8 has played host to most of Facebook's biggest announcements—new profiles, the Like button for websites, Graph API—but this one had the usually unflappable Zuckerberg looking a little giddy. “We’re more than just what we’ve done recently,” he told his listeners, and he laughed as he scrolled through his own Timeline to show the audience a few of his baby photos.

Timeline, which is being introduced to all Facebook users over the next few weeks, is a complete rewiring of the way Facebook works. For one thing, it’s far more attractive than the current profile: photos are displayed with more prominence, including a page-spanning “cover” image of your choice to gussy up the space behind the traditional profile picture. But the real change is conceptual. Timeline is a social blow by blow of a person’s total Facebook past, an easy-to-parse, easy-to-navigate account of his or her entire experience on the platform. “It’s how you can tell the whole story of your life on a single page,” Zuckerberg said. The algorithm-generated archive seeks to accent users’ most meaningful life moments (relationships, moves, career milestones) while

What Facebook’s new profile page tells us about the battle for control of the Internet

BY ALLIE TOWNSEND

condensing the less interesting stuff, like the latest round of birthday messages. Users are also encouraged to fill in details from their lives P.F. (pre-Facebook) by adding photos from childhood, the way Zuckerberg did with his baby pictures. It’s life, in aggregate.

Organizing your life in aggregate is a time-consuming project, and a lot of users are already complaining about making the switch to Timeline, especially people who’ve been on Facebook for years and have a lot of data to sift through. (Users get a week to examine their Timelines to remove unwanted content before friends can see it.) But to Facebook, that’s the point. The more time people invest in editing their Timelines—with their trips, promotions and best friends’ weddings—the bigger the emotional cost of ditching Facebook for another service.

As Facebook barrels toward what will likely be the largest initial public offering of any Internet company in history—on Feb. 1, it filed for a \$5 billion IPO; analysts predict it could raise as much as \$10 billion—it has to present a future worth investing in, even if that means a radical revision of what the site has been. Today’s social-media landscape is lousy with choices, and Facebook knows it. So instead of asking users to create their Timelines from scratch, which is what many people are saying they’d prefer, Facebook has done the work for them, pushing their content to the new format to show them how invested they already are. The status update has been one of the site’s guiding principles since it was introduced in 2006; it’s a reminder of what your friends and family are doing or thinking in the present. With Timeline, Facebook is asserting itself as a personal archive too—a searchable, curated, data-driven record of your past. It isn’t just a design overhaul. It’s a fundamental change in strategy, designed to keep Facebook at the top.

Frictionless Sharing

IT’S NO SECRET IN SILICON VALLEY THAT for the past few years there’s been a Twitter-size thorn in Facebook’s side. The microblog took off when users latched onto its philosophy of immediacy and then demanded



more of it from other social networks. (Twitter launched in July 2006. By that September, Facebook had introduced its own early version of the status update.) Zuckerberg liked Twitter early on and even made an offer to buy the company in 2008. But Facebook doesn't like the direction social media have taken since. "It was so frustrating to be in a world where social media had prioritized just the present," says Facebook product manager Sam Lessin. Zuckerberg's base is larger—it's expected to hit the 1 billion mark this summer—but as Twitter grew, Facebook lost some of its archetype status. In the chuckwagon race of social pioneering, it was falling behind.

So Facebook set out to create a more robust network, one that broke its dependency on the status update to create a deeper storytelling tool. "We realized that early Facebook users have been telling stories for seven years on our platform and we were sending them a message that it didn't matter," Lessin says. "So we said, Instead of immediacy, instead of the five most important facts about a person, let's weave a story together about your life."

The more radical move was to cut out the need for manual updates—Twitter's bread and butter—by eliminating the middleman. Open Graph, the developer-friendly arm of Facebook's core social graph that was introduced in 2010, allows outside companies to create apps for the Facebook platform to integrate with their sites. It's working: users are installing more than 20 million apps every day. But new apps made specifically for Timeline will create an even more seamless Facebook experience across the Web through "frictionless sharing," a set of actions that will give third parties the ability, with your permission, to log your activity on outside sites in your Timeline.

Instead of your posting about your musical appetite du jour, music-streaming sites like Spotify, MOG or Rdio will do it for you. Spotify users have shared 5 billion songs on Facebook this way since the F8 announcement four months ago. Updates end up inside Facebook's new Ticker, a feed of your friends' activity streaming in real time, and are another response to Twitter's chaotic but beloved social ecosystem. In turn, your Timeline gobbles up your data and presents it to you later in a set of summarized highlights broken down month by month: most-listened-to albums, books you read or recipes you tried.

Between the frenzy of activity happen-

ing in front of you and Timeline's sleeker, more linear storytelling, Facebook is betting that users will find the site a richer place for discovery and engagement, even if they hate it at first. To lessen user apprehension, Facebook held off on a mandatory switch, and it isn't relying on a p.r. push to ease people into the idea of the new design. Instead, it's counting on users to do that for one another and giving the early adopters time to evangelize. "We've been in a mode where users can choose to use Timeline since September," Lessin says. "The way people learn to use social media is from their friends."

What Google Can't Read

WITH MORE THAN 60 NEW TIMELINE APPS available right away, Facebook is positioning itself to become the online hub for social activity by aggregating the full range of an individual's digital experience in one spot. Already, 1 in every 7 minutes spent online and 3 in every 4 minutes spent on social sites are spent on Facebook, but as the social space grows, more networks are vying for that attention. Frictionless sharing embraces this competition and invites people to add their experiences on sites like Pinterest, Goodreads or Turntable.fm to their Timeline. Now you don't have to be on Facebook to use Facebook. All the while, the company gathers more informa-

consumption grew 69%, eating away, slowly but surely, at the searchable Internet.

The rise of Facebook was more than just a fundamental change in the way we used the Internet. It was a collision of Web cultures. A people-powered, social Web shifted curatorial control away from Google, something it's trying to reclaim with its own social network, Google+. For now, Google+ has done little to threaten Facebook's dominance, and the Facebook IPO will likely solidify its strength. But overhype is always a risk. Other hot Web companies like Groupon, Zynga, Pandora and Renren, the "Chinese Facebook," went public in the past year, raising billions of dollars but underperforming once in the market. "The social network is only as valuable as the engagement that's fostered within it," says Brian Solis, a principal analyst at the Altimeter Group, a digital-research-based advisory firm. "The network has to constantly reinvent itself so people feel compelled to come back, and more importantly, to share more about themselves than they had thought of or felt comfortable doing so in the past."

The Digital You

A NEW SURVEY OF FACEBOOK USERS BY security firm Sophos found that of the more than 4,000 users polled, 83% had negative feelings about the Timeline change. Facebook's earliest users enjoyed the freedom of sharing their college experience exclusively with other students; the social-media learning curve on the finer points of privacy didn't surface until the network widened and Mom showed up to spy on the digital game of beer pong. For many people, that content still exists; it's just buried under posts by Facebook You 2.0, the smarter sharer.

In the past, Facebook wrongly made it tough to remove photos and data from the site. The company made a string of mistakes that began in 2007 with the now infamous Beacon, an ad play that touted users' shopping practices to their friends, and continued in 2009 with the release of confusing privacy controls. Timeline's in-line publishing controls are a subtler way of addressing that problem, but privacy isn't the real issue here. Everything on your Timeline was posted, or green-lighted, by you. Facebook is just making it newly accessible. Your privacy settings haven't changed. The burden of reassessing your content has.

Facebook is betting that we'll come around to Timeline and to the idea of sharing

\$100 BILLION

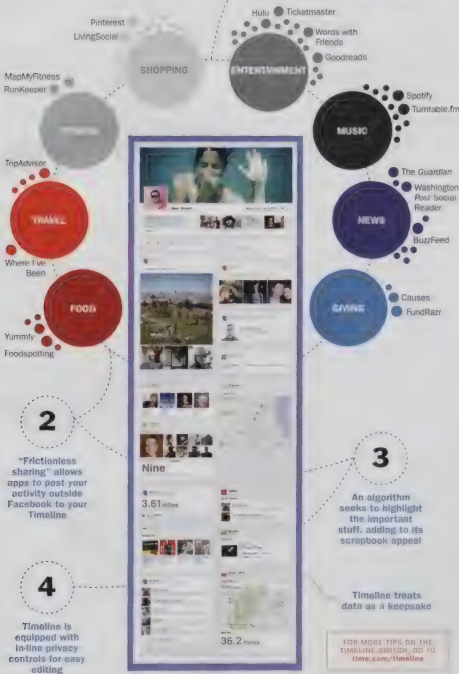
The expected valuation of Facebook once it goes public. Its IPO would be the largest of any Internet company in history

tion about you—information it's able to monetize because no one else has it.

To be successful online in the past decade, sites had to play Google's game. Publishers obsessed over keywords and search-friendly page names while Google's spiders crawled. The only shadow was the deep Web, a vast, anonymous alt-Internet, a haven for pedophiles and hacker types. If it was worth seeing, it was indexed by Google—at least until Zuckerberg gave us the power to provide for ourselves. Facebook is essentially a vault of Internet activity that Google can't read, and it's only getting bigger. In 2010, Facebook's Web

The Tricks of Facebook's Timeline

This is not a drill. The site's new design will become mandatory for all users in the next few weeks. Here's how it works



our digital footprints with our friends. Even the site's most loyal adherents have a track record of hating its new features, only to later declare that Facebook would be unrecognizable without them. When the news feed was introduced in 2006, users reacted to the change by circulating petitions and forming Facebook protest groups with hundreds of thousands of members. They now spend more than a quarter of their Facebook time within the feature.

Once users do come around, the advent of Timeline could mark the era in which a person's digital identity becomes ascendant. Information about everything you do—the music you listen to, the books you read, the videos you watch, the news you consume—is being collected passively, provided you make it accessible. And making information about yourself accessible is the whole point of Facebook. As a result, your online identity becomes potentially richer and more complete than your offline one: a combination of photo albums and scrapbooks and notes and all the things that, since the arrival of digital communication, we've increasingly left behind. Pore over the aggregated backlog of relationship changes, vacation pictures and reading lists in your Timeline and you can actually learn things about yourself—things that you might not realize in the passing moments of day-to-day life. Maybe you revisited old Motown albums after Janelle Monáe's "Tightrope" music video was released. Maybe updates from AirbnB, the Craigslist of couch surfers, will remind you of a trip you would have otherwise forgotten.

"The way Mark Zuckerberg runs Facebook is reminiscent of the way Steve Jobs ran Apple," Solis says. "It's 'We're not going to wait for customers to tell us what they want. We're going to introduce what we think is in their best interest, and they will learn to love it.'" Of course, this rests on Facebook's ability to persuade people to dump the bulk of their digital footprints into the network. As an incentive, Facebook has massaged deals with other online services, like Spotify, to use Facebook accounts as a prerequisite to sign up. By doing this, Facebook can make you feel locked out not just of experiences on the Internet but of your friends' lives as well. But maybe the smartest—and most frustrating—thing of all is Facebook's emerging role as an Internet passport. It's now that much harder to get a complete online experience without it.

Lionel Messi's Final Goal

The planet's best soccer player is hailed wherever he goes — except in his native Argentina. What must he do to win over his countrymen?

BY BOBBY GHOSH/BARCELONA

YAAAAAAARGH!" THE BREATHLESS magic of Lionel Messi's goal scoring often leaves Ray Hudson, the motormouth commentator for Gol TV, grasping for words. It happened again on Jan. 21 as Messi scored a brilliant hat trick in FC Barcelona's 4-1 win at Malaga in Spain's La Liga. His first goal, a textbook header, had Hudson declaring that "his talent would light up the national grid." After his second, Hudson described the diminutive Argentine as a "colossus bestriding the earth." But Messi's third—a slaloming run from the halfway line past three Malaga defenders, culminating in a soft, left-footed tap past the goalkeeper's outstretched hands—left the commentator with only a rasping, primal scream: "YAAAAAAARGH!"

That must also be the sound rising inside defenders' heads when soccer's mesmerizing little genius bears down on them at speed. Some have found the humiliation from a player nicknamed the Flea too much to bear and have lashed out, their frustration usually, but not always, aimed at his fleet feet. During a Jan. 18 FC Bar-

celona match against archrival Real Madrid, a defender named Pepe, assigned the hopeless task of trying to stop the Barcelona star, contrived to stomp on his hand after Messi had been tripped yet again by another player. (The foul was as futile as it was egregious: Messi set up the decisive goal in Barcelona's win.)

It is the lot of great players to be treated shabbily on the field and royally off it. A few days before the Madrid game, soccer's grandees had gathered in Zurich to crown Messi, known as Leo to his subjects, as their king. The annual announcement of the FIFA Ballon d'Or is meant to anoint the best player of the previous season. This year it was practically a foregone conclusion that Messi, 24, would receive his third Golden Ball in a row.

Messi hardly looks a monarch: he possesses no hauteur, not even the I'm-the-MAN! swagger expected of a modern sporting superstar. For someone who has lived half his life in the spotlight, he is surprisingly shy, even painfully so. "Year after year, I've grown, improved," he told me after the award ceremony. "I was lucky

Little big man

Messi overcame a childhood growth-hormone deficiency to reach 5 ft. 6 in. But his talent makes him a giant on the pitch



to start very young and always have very good colleagues around me as I was coming up, and this has helped me and how I play."

Every generation produces players who change the game with their talent or approach—Puskas, Di Stefano, Pelé, Cruyff, Maradona, Zidane. Messi's third Ballon d'Or not only cemented his place in the galaxy of greats but also made him the centerpiece of a singular argument. "Messi is amongst the best ever," quoth Manchester United's Alex Ferguson, perhaps the most successful manager of all time. Pep Guardiola, Messi's coach at Barcelona, declared that his team's superstar "could be the best player of all time."

MESSI IS HAILED IN EVERY SOCCER-LOVING country but one: his own. You would think there would be even louder hosannas in Argentina: its prodigal son, born to a steelworker and a part-time cleaner in the city of Rosario, handicapped in childhood by a growth-hormone deficiency, had gone on to foreign lands and been made sovereign of world soccer. But no. For all his great achievements abroad, Messi has never been fully embraced by his countrymen as one of their own, much less their king. There isn't an official Leo Messi fan club in Buenos Aires. A few days after the Ballon d'Or ceremony, Cristian Grosso, sports columnist for the Argentine daily *La Nación*, noted that "while the world bows to him, he's barely starting to draw support here." Why? The headline to Grosso's column hinted at the answer: IT'S TIME TO START RESPECTING THE CATALONIAN. Catalonia is the Spanish region of which Barcelona is the capital; the headline defines Messi as one of "them," not one of "us."

Many Argentines find it hard to relate to Messi because he has played his entire professional career abroad. The traditional trajectory of a South American soccer star requires him to be discovered young, then play a few years for an important domestic club and develop an emotional connection with local fans before heading for greater glory in Europe. But although Messi was a child prodigy, he left Argentina at 13. At that point, his talent was already undeniable, but his size was a drawback: his height was below the third percentile for his age. When his parents and local club could no longer afford the \$1,000-a-month hormone treatment to rectify this childhood deficiency, FC Barcelona agreed to recruit him and bear the

LIONEL MESSI: A PRIMER

1987

Born: June 24

1995

Signed by Newell's Old Boys



2001

Signed by Barca: March
(officially, preliminary agreement written on napkin in December 2000)

2004

Debut for Barca: Oct. 16

2005

First La Liga championship:
May 28
Debut for Argentina:
Aug. 17

2006

First Champions League title: May 17

2008

Olympic gold medal:
Aug. 23

2009

Second Champions League title: May 27

Ballon d'Or award

(2008–09 Barca: 51 games, 38 goals)

2010

Ballon d'Or award
(2009–10 Barca: 52 games, 45 goals)

2011

Third Champions League title: May 28

Ballon d'Or award

(2010–11 Barca: 53 games, 50 goals)



expenses. (Messi is now 5 ft. 6 in.) He grew up, as a man and a player, at the club's famous La Masia youth academy.

So, uniquely among his nation's top-tier soccer stars, he has never represented an Argentine club. And since debuting for the senior national team in 2005 at 18, he has won no honors of any consequence.

In contrast, his collection of honors for FC Barcelona reflects that team's ascension to the greatest on the planet. With Messi as its talisman, Barca (pronounced *Bar-sa*), as the club is known, has redefined what can be done on a soccer field, playing a highly intricate passing game that leaves rivals mesmerized and vulnerable to the darting, goal-bound runs of its forwards.

Since Messi joined the first XI in 2004, Barca has thrice won the UEFA Champions League, the greatest contest in professional soccer. Barca has also won La Liga, Spain's domestic league, five times. And it has claimed two UEFA Super Cups, two FIFA Club World Cups and an assortment of lesser trinkets. No other club has accumulated as many trophies in that period. (Full disclosure: I have been a Barca partisan since early youth.)

Although the club has a constellation



of top talent—eight members of the Spanish team that won the 2010 FIFA World Cup in South Africa play for Barca—it is Messi's goals that bring in the silver ware. He has banged in 212 in 295 appearances, not including friendlies, a strike rate of 0.72 per game in a sport in which anything approaching 0.50 is regarded as brilliant. But what makes Messi unique among top goal getters is that he also creates scoring opportunities for others because he inevitably attracts so much defensive attention. His passing skill has produced 76 assists in his 295 appearances, a ratio exceeded only by a handful of midfielders, whose main job is to assist.

To many Argentine fans, Messi's relatively mediocre goal-scoring record for the national team, a 0.29 rate, suggests that he puts club ahead of country, that he simply doesn't play as hard for Argentina. By their reckoning, he is more Catalan than Argentine. Fingers were pointed at him after Argentina's poor showing in South Africa, where it was thumped by Germany in the quarterfinals: Messi was scoreless in five games. But the low point came at a game in July, a 0-0 draw with Colombia in Messi's native prov-

The ecstasy and the agony In Barcelona's colors, Messi has won everything; in the blue and white of Argentina, next to nothing

ince of Santa Fe, when fans began to hurl abuse at him. "Maradona! Maradona!" they screamed, making a mocking comparison between Messi and the former superstar. More hurtfully, they yelled, "Mercenary! Catalanian!"

The accusations and taunts cut deeply. "[Critics] said things that weren't true, that I didn't care as much about wearing the [Argentine] shirt," he says. The topic brings out genuine emotion in Messi, who is known to be cautious to the point of blandness. "I've never stopped being Argentine, and I've never wanted to," he says. Teammates and club officials vouch for his patriotism: they point out that his accent remains unchanged since he first arrived in Spain from Rosario and that he barely speaks any Catalan, the language of Catalonia. Even his girlfriend Antonella Rocuzzo is from his hometown. "He is the most Argentinian of Argentinians," says Guillermo Amor, the club's director of soccer training. "He's strongly rooted to his barrio [neighborhood] in Rosario."

ON THE HORIZON IS A TANTALIZING opportunity for Messi to secure his rightful place in Argentine hearts: the next World Cup, in 2014, will be in Brazil, Argentina's great rival. Messi will be 27, the peak age for a soccer player; Maradona was 25 when he won the Cup in '86. If Messi can match Maradona's achievement, he will not only prove his commitment to his country but also likely surpass Pelé and Maradona as the best player ever.

Messi says the World Cup is his ultimate ambition, but he is careful to couch it in terms of what it will mean for his country, not for his place in the game's history. "I hope it's the moment for Argentina and that we can become champions. I'm going because I want to be champion and share the World Cup with my national team."

And what if the World Cup isn't in his destiny? Opinion is divided on how history will judge Messi if his display cabinet lacks that one winner's medal. Pelé, who jealously guards his title as the greatest, has sniffed that the Argentine has a long way to go before being considered his equal. "When Messi's scored 1,283 goals like me, when he's won three World Cups, we'll talk about it," he told the French daily *Le Monde* in an interview published Jan. 20.

But Pelé played in another era, before the UEFA Champions League, where the best players and teams in Europe clash every year. Having won that competition three times, Messi may already have done enough to turn soccer's divine duopoly into a holy trinity: Pelé, Maradona, Messi. But that's not enough for the man who sobs after a lost game, who is known to storm off the pitch if he loses a *ronda*, or training ground contest: he needs to keep playing, keep winning and (defenders of the world, beware!) keep getting better. "There's still a lot of time to prepare and to improve," he says.

It's hard to imagine how he can still improve. His skills are already so unreal that Arsene Wenger, manager of the English club Arsenal, compared him to virtual players in PlayStation games. Not coincidentally, those games are his favorite past time off the real pitch. At the end of our interview, I ask if, when he plays a soccer video game, he picks the virtual Messi to be on his team. "Of course," he replies, with only the faintest hint of swagger. "How else can I win?" —WITH REPORTING BY UKI GONI/BUENOS AIRES, GLEN LEVY/LONDON AND LISA ABEND/BARCELONA ■

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Red State, Green City

Austin is defying conservative, fossil-fueled Texas to become the country's clean-tech hub

BY MICHAEL V. S. LEE

The city of Austin, Texas, is defying the conservative, fossil-fueled state to become the country's clean-tech hub. The city is home to a growing number of clean-tech companies, including Tesla, which has a large manufacturing plant in the city. Austin is also home to a growing number of clean-tech startups, including those in the solar, wind, and energy storage sectors. The city's clean-tech industry is growing rapidly, and it is expected to continue to grow in the years ahead.

Take a walk
on the green in
Austin's Mueller
neighborhood.



complex, and thin-film panels are less efficient at converting sunlight to electricity. But their lower cost has many in the solar world—like HeliVolt CEO Jim Flanary—convinced that thin-film panels are the way to go as the industry matures. “If you can do this really cheaply and really quickly, you’ve got a winner,” says Flanary. “We want to scale up as soon as we can.”

It’s not just the how of HeliVolt that makes it unusual in the solar space; it’s also the where. The company isn’t based in southern San Francisco or Boulder, Colo., or the Boston area—the country’s bright green regions. HeliVolt calls the Texas state capital of Austin home. B.J. Stanbery, the solar veteran who founded HeliVolt in 2001, is a native Texan who got his bachelor’s degree at the University of Texas, just down the road from the company’s factory, but he kept his business in Austin for more practical reasons. “The manufacturing skills that workers have here are directly transferable to a thin film solar company like us,” he says. “And the business culture is attractive here because people are used to taking risks in the energy space.”

Of course, when people think about the energy space in Texas—home to wildcatters and J.R. Ewing of television’s *Dallas* fame—they probably picture oil rigs and natural gas wells. The current governor of Texas, after all, is the far-right-leaning Rick Perry, who made it known early in his failed campaign for the Republican presidential nomination that he was a climate-change skeptic. “I do believe that the issue of global warming has been politicized,” Perry told voters in New Hampshire in August. “I think there are a substantial number of scientists who have manipulated data so that they will have dollars rolling into their projects.”

But as conservative as Texas tends to be, it’s kept an open mind on renewable energy, which is one reason more wind-power capacity has been installed in the state than anywhere else. It also helps that Texas’ size and wide-open spaces are ideal for wind farms. And within Texas, Austin has always been an outlier: a fairly liberal college town that has managed to marry high tech with hipster culture. Now it’s paying off in the renewable-energy sector, as Austin contends with Silicon Valley as a top clean-tech hub. Some 15,000 Austin residents are employed in the broader green economy, and the municipal utility, Austin Energy, has pledged to get 35% of its electricity from renewable

sources by 2020. Over the past eight years, the number of clean-tech jobs has grown more than twice as fast in the Austin metro area as it has in San Francisco.

For Austin, high tech had to come before clean tech. The city has long been a science-and-technology hub, thanks to the presence of the sprawling main University of Texas, with a student body of 50,000. In the mid-1980s one of those students was Michael Dell, who founded his eponymous computer company in a dorm room before moving Dell to a campus north of Austin. Around the same time, the federal government and U.S. semiconductor manufacturers launched a research consortium based in Austin called Sematech, pooling public and private investment to compete with Japan, which was threatening to dominate the semiconductor industry.

Sematech and Dell helped create a high-tech boom in Austin through the 1990s, luring thousands of talented engineers who came for the jobs and stayed for the Austin lifestyle—best exemplified by the metastasizing South by Southwest festival, an annual pilgrimage of the hip that brings together music, film and interactive media. “It’s a great place to live, and that matters in this industry,” says Brewster McCracken, executive director of Pecan Street, a smart-grid research project in Austin.

So as clean tech began to heat up in the early part of the past decade, Austin, with its experienced technical workforce, was a logical place for start-ups and entrepreneurs to set up shop. Its critical mass of innovation is one reason SustainLane Government, a network for green business, has ranked Austin the top city in the U.S. for clean-tech incubation.

Austin’s progressive-leaning politics also helps. All the municipal government’s electricity comes from renewable sources. And consumers and businesses can receive handsome rebates for installing more-energy-efficient appliances and photovoltaic systems—which means clean-tech companies can go to the city knowing there’s a built-in market for their products. Austin also has more latitude for experimentation because it owns its utility, an institution that in most cities stands in the way of clean tech. Nowhere is that clearer than in the Pecan Street Project, a collaboration among Austin Energy, the Environmental Defense Fund, the city of Austin and the university. The project aims to gather data on energy and water use at the residential level, which most utilities barely have a handle on, to create a smarter and more efficient grid.

So what could go wrong? A drying pool of venture capital, the forbidding cost of scaling up and the uncertainties around national climate policy. If any of the climate-change-doubting Republican candidates on the campaign trail were to win the White House, it’s hard to see much support for clean tech surviving the budget ax. But even if that happens, Austin may well endure. The city takes pride in going against the grain and doing things its own way. “I’m a native Texan, and I know about the entrepreneurial spirit here,” says HeliVolt’s Stanbery. “People believe that if you want to do well, you need to work hard.” That’s an ethic clean tech will need in the difficult days ahead.



A HeliVolt solar panel is being installed by workers.



SIEMENS

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BUSINESS GAME CHANGER

The Price Is Righter

J.C. Penney's new CEO believes he can revive the struggling department store by tapping into shoppers' frustrations with sales gimmicks

BY BRAD TUTTLE

GO TO THE MALL THESE DAYS AND IT'S hard not to feel as if you're being messed with, which is why J.C. Penney's recent not-going-to-take-it-anymore ad rings true. You may have seen it: consumer upon consumer screaming "No!" as coupons flood out of a mailbox, crowds mass before dawn for a Black Friday-esque sale and store windows are stocked with items that are now 62% off. Too bad you bought them at full price, sucker.

The ad is staged and exaggerated, but the frustrations are real. To be a shopper—and not walk away screaming—is to come to grips with the reality that unless you are using shopbots and taking on bargain hunting as a full-time job, as some have, you are almost never going to get the lowest price.

So when Penney's newly appointed CEO, Ron Johnson, declared in mid-January that most of the original prices in his store have long been "fake" and inflated, the only surprising thing was that he had the guts to admit it. More surprising: Johnson said he was going to make changes.

Instead of facing infinite discounts and promotions—there were 590 different "sales" at Penney alone in 2011—the department store's shoppers will now see

just three price categories. One will represent discounted seasonal items that change monthly. Another is clearance merchandise marked down on the first and third Fridays of each month. But the majority of goods will be offered every day at 40% or 50% less than the prices Penney used to charge. In retail parlance that's called EDLP, as in "everyday low price."

It's a radical shift for a promotional department store like Penney. The "fair and square" makeover also includes a new logo, store upgrades and in-store

BUYING MORE ON SALE

Percentage of items consumers purchased at some discount



SOURCE: A.T. KEARNEY

boutiques that will feature fewer brands.

The big discount chains Walmart and Target have long staked out EDLP, but mostly we live in a promotional, markdown world. And all those Sunday circulars, flash deals and holiday sales events—which seemed more intense than ever last year—have turned shopping into retail combat. According to the management-consulting firm A.T. Kearney, more than 40% of the items we bought last year were on sale. That's up from just 10% in 1990. Penney has been a notorious discounter, with nearly three-quarters of revenue coming from goods sold at 50% or more off list price—whatever that is—and less than 1% from full-price merchandise.

If anyone is equipped to transform Penney, it's the new CEO. Johnson joined the retailer in November, arriving from Apple, where for the past decade he presided over the computer company's huge retail success. Apple loves price maintenance and loathes heavy discounting and sales gimmicks. Johnson believes Penney's customers will appreciate pricing clarity, not to mention sleeping in. "I don't think customers like having to come to a store between 8 and 10 a.m. on a Sunday in order to get the best price on swimwear," he said.

But iPads are not underwear or makeup. "My intuition is that, in the long run, the changes won't be effective," says Kit Yarrow, consumer psychologist and author of *Gen Bu!: How Tweens, Teens and Twenty-Somethings Are Revolutionizing Retail*. "A discount gives shoppers the incentive to buy today. Without that, there's no sense of urgency for people to purchase things that, frankly, they probably don't need."


Today's consumers respond well to transparency, though, and to businesses that admit their mistakes. The success of the Domino's "We Were Wrong" campaign is Exhibit A. So Penney's disavowal of marketing games should build customer trust. At least initially, the slashing of all list prices should also boost sales.

But what happens when the novelty wears off and nothing seems special about everyday prices? By then, Johnson hopes, J.C. Penney will be a place that shoppers love because they like the merchandise and atmosphere, and they won't fret about doing better elsewhere. ■



Game Changer

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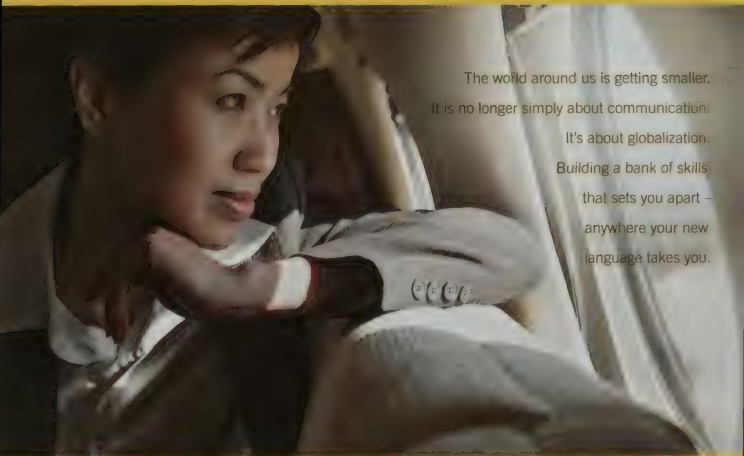


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Bring Your Challenges

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Atari released Sprint 2 in 1976. Now its designer is making new kinds of games for the iPad. **PAGE 64**



The Culture

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Pop Chart



INDIA EDITION



GOOD WEEK/ BAD WEEK

Starbucks

The coffee chain announced plans to open 50 shops in India by the end of the year

Dragon Tattoo

The Girl won't be shown in India, after Sony Pictures refused to censor nude scenes



FASHION

Democratic Design

Runway to Win, which launches Feb. 7, will sell bags, T-shirts and accessories—designed by fashion heavyweights—through President Obama's re-election campaign website. The collaboration is a bit of a family affair, as many of the designers involved have dressed the First Lady, including Narciso Rodriguez and Jason Wu, the maker of her inaugural Ball gown.

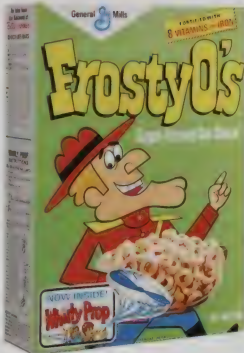


This book won't get soggy in milk

BOOKS

Read Your Wheaties

From 1863's "hard as a rock" Granula to the sickly sweet Frosty O's (right), *The Great American Cereal Book* catalogs the stories behind every breakfast. Did you know that Lou Gehrig was the first to grace a Wheaties box? Or that in 1984, Mr. T had his own cereal? It's true; according to the book, one tagline was "I pity the fool who don't eat my cereal!"



PHOTOGRAPHY

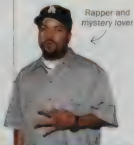
How the Flower Girls Live

Las Mujeres Flores, to be published in March, is an intimate portrait of women in the isolated Mennonite communities in Mexico's Nuevo Ideal, in the state of Durango, and La Onda, in Zacatecas. Photographer Eunice Adorno spent several years gaining the trust of the women in this very private community, capturing their daily lives and personal relationships. To see more photos from the book, go to lightbox.time.com.

MUSIC

'Good Day' Date Debate

After a blogger painstakingly combed through old weather reports and NBA schedules to conclude that Ice Cube's 1993 song refers to Jan. 20, 1992, another refuted the claim and said it's Nov. 30, 1988. The rapper's rep declined to clear up the confusion.



Rapper and mystery lover

GRAMMYS

Album Prophecy

Who'll win the Album of the Year award when the Grammys air on Feb. 12? Our predictions:



LADY GAGA, *BORN THIS WAY*

Why she'll win: To make up for her two previous Best Album losses. Why she won't: The '80s are over.



FOO FIGHTERS, *WASTING LIGHT*

Why they'll win: To prove rock is still relevant! Why they won't: Just kidding. No, it isn't.



BRUNO MARS, *DOO-WOPS & HOOLIGANS*

Why he'll win: Everybody likes doo-wop. Why he won't: Nobody likes hooligans.



RIHANNA, *LOUD*

Why she'll win: We like angry dance music. Why she won't: Between Adele and Gaga, she'll probably be overlooked.



ADELE, *21*

Why she'll win: She's the best thing the music industry's got going. Why she won't: Eh, she'll probably win.



EAT YOUR HEART OUT, SPIDER-MAN When visitors to the Paris art space 104 Le Centquatre lie on the floor of *Bâtiment*, an interactive installation by Buenos Aires-based artist Leandro Erlich, their images are reflected in a large mirror, giving the illusion that they're challenging the laws of gravity, climbing and hanging off a building. Erlich's installation will be on display until March.



GRAMMYS

The Kanye Bump?

Looking for a Best New Artist Grammy nomination? It helps if you make a guest appearance on a Kanye West album—in this case, 2010's *My Beautiful Dark Twisted Fantasy*.

VERBATIM

‘Vanna and I would have two or three or six and then ... have trouble recognizing the alphabet.’

PAT Sajak, *Wheel of Fortune* host, telling *EW* that he and Vanna White used to do a little more than the between-the-lap thing. He said he no longer attends on the advice of bettors that would bet on his wacky old episodes.



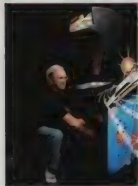
3 THINGS YOU DON'T HAVE TO WORRY ABOUT THIS WEEK

- 1. Kristen Bell's love of sloths.** Judging from the home video she shared on *Ellen*—in which she was so excited to see the hairy creature that she burst into tears—her obsession is going strong.
- 2. What Julian Assange looks like as a cartoon.** On Feb. 10, the WikiLeaks founder will appear as himself on *The Simpsons*.
- 3. If Jack White will ever make music again.** He'll release his first solo album, *Blunderbuss*, in April.

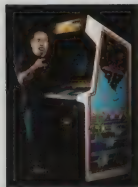
Hot-Tub Time Machine. Atari's all-star game designers aim for a sequel

By Adam Fisher

Game Boys. Old guys, new tricks



Ed Logg, *Asteroids*
Atari's master of design (he made *Centipede* too) battle-tests the group's new games



Bruce Merritt, *Black Widow*
His multidirectional shooter scored a hit in 1982. His next game is a perspective twister

IN SILICON VALLEY IN THE LATE 1970S AND early '80s, the closest thing to being a rock star was working for Atari. The company that introduced the video game to the masses kept its engineers' creativity flowing with free meals, Friday beer bashes and weekend "gamestorming" retreats on the California coast that featured naked hot-tub parties, fat doobies, food fights, broken coffee tables and locked doors ripped out of their frames. "We partied like hell," says Rob Zdybel, a former Atari console programmer who at 55 still wears his hair shaggy and his vintage T-shirts Grateful Dead.

Thirty years later, the band is getting back together. Zdybel and nine other programmers and designers from the company's wild early days—the makers of *Asteroids*, *Centipede*, *Missile Command* and the like—have come out of retirement or semiretirement to try to revive some of the magic of gaming's so-called golden age. In 1982 playing a video game meant a trip to the arcade with a fistful of quarters. In 2012 playing a video game increasingly means turning on an iPad. The 99¢ download has become the new quarter drop, and the old Atari guys see the new medium as an opportunity to rethink classic game play.

Their target audience isn't the hardcore gamers who immerse themselves in virtual worlds for hours upon hours but rather what the industry has started calling "casual gamers," people who play a bit of *FarmVille* at work or *Angry Birds* on their phones. The games that appeal to this demographic have a low barrier to entry. They're cheap and convenient, like a quick game of *Pac-Man* at the pizza parlor. "We've come full circle," says one of the reconstituted Ataristas, Owen Rubin, 57, who in

1983 unleashed *Major Havoc*. "The iPad and the iPhone—they're the new arcade."

The group's new company takes its name from an expired Atari slogan: Innovative Leisure. Its founding partners believe the industry has been coasting on fancy graphics for too long and that old skills and retro sensibilities are valuable again. "We were inventing genres back then," says Rubin, and he lists them: driving games, shooters, side-scrolling platform games and maze and puzzle games. The 10 coders—seven from Atari's arcade-game division, two who specialized in making game cartridges for its home consoles and a designer for an Atari archival, Cinematronics—are all bald or graying and refer to themselves as "grizzled old farts."

They also think most of the new games on the market stink. "World of Warcraft?" says the oldest of the bunch, Bruce Merritt, 63, dismissing the popular massively multiplayer role-playing game. "The whole premise is one we wore out 30 years ago playing *Dungeons & Dragons*," Merritt and his colleagues, not lacking in ambition, say now that they are back in the game, they don't just want to have a *WoW*-size hit. They aspire to invent new mechanisms of game play, maybe even new genres.

Space Cowboys

IN 1983 ATARI IMPLoded IN WHAT IS KNOWN as the great video-game crash. Activision and other third-party cartridge makers cracked the

Lyle Rains, *Tank*
His 1974 multi-joystick game rolled out several sequels. His new target: *Angry Birds*



Any platform, any TIME

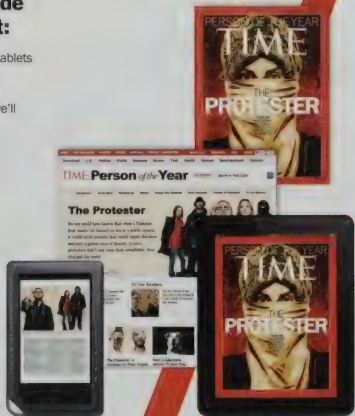
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console code and flooded the market with lousy games. Atari, under pressure to produce a blockbuster, started rushing out its own games, most notably *E.T.: The Extra-Terrestrial*, which has come to be known as one of the worst video games ever made. Five million unsold copies were buried in the New Mexico desert. Within 18 months of its release, the debt-laden company was essentially given away.

Mario, Nintendo's mustachioed mascot, revived the North American market beginning in 1985 with quality games and a more sophisticated console. Graphics engines have improved so dramatically since then that virtual worlds are now scarcely distinguishable from the real thing.

Games have followed this steroidal curve as well. Ed Logg, 63, creator of the Atari megahit *Asteroids*, once described *Rip-Off*—a classic shoot-'em-up arcade game created by Tim Skelly, his great rival at Cinematronics and now co-worker—as “a poem.” Contrast that simple elegance with a celebrated modern shooter: *Gears of War*, for example. The latest edition of *Gears* retails for \$40, and even an experienced gamer would need 60-plus hours to play it to completion. Yet for all their differences, *Gears* and *Rip-Off* fall in the same broad category. The rendering has gotten far better, but the games themselves—the strategies, the action, the backstories—aren’t much different from the ones invented decades ago.

The most outspoken critic of the industry’s creative stagnation is Innovative Leisure’s president, Seamus Blackley, who grew up playing Atari games and, at 44, is young enough to be the son of some of the men his company is reuniting. “Did you ever see the movie *Space Cowboys*?” asks Blackley, who as an übergeek and former Hollywood agent is big on sci-fi movie references. “NASA had to call



Ed Rotberg, *Battlezone*

He brought virtual reality to gaming in 1980 and is working on a new way to play

up the old astronauts out of retirement and send them back into orbit, because they were the only ones that understood the space station well enough to fix it and save the planet.”

In the game world, Blackley is known as the guy who invented the Xbox at Microsoft and later ran the game-talent division at Creative Artists Agency in Los Angeles. After seven years as an agent, Blackley left CAA, reached out to his childhood heroes with an offer of equity and held the company’s first meeting—in secret—last July at a hotel in Pebble Beach, Calif., the last town to host Atari’s golden era off-site gatherings. Blackley asked each of the coders to show up with an idea for a new game. “We are the Jedi Council of video-game

design,” he told them.

Atari founded Nolan Bushnell, the man who directed the company’s early success from his perch as CEO, is busy with his own start-up but agrees with Blackley’s essential premise. “Mobile platforms have reinvigorated Atari-like game play,” he says. For evidence, look at *Angry Birds*. Since Rovio released this addictive puzzle game in 2009, it has been downloaded half a billion times. Zynga, the company behind *FarmVille* and the other “Villes,” surprised no one when it raised nearly \$1 billion in its December IPO.

Innovative Leisure will formally announce its existence on Feb. 9 at the annual DICE summit (Design, Innovate, Communicate, Entertain—the Davos of the gaming world) in Las Vegas. Tickets are \$2,200 a pop, and pretty much every CEO in the industry will be there. The Academy of Interactive Arts and Sciences (AIAS), which puts on the super-high-end conference, asked Seamus & Co. to be this year’s keynote speakers. “These Atari guys are heroes. They’re the all-stars,” says the academy’s president, Martin Rae. “I think they have a great shot at making something really fun and compelling.”

Ka-boom!

THE COMPANY HAS HIRED TEN INTERNS straight out of USC’s computer-science department to help the Atari old-timers use new tools to crank out prototypes for games in less time than it used to take to code an impressive *ka boom!* “Back in the day,” says Merritt, who designed Atari’s multidirectional shooter *Black Widow* in 1982, “we all would spend weeks working on a game effect, maybe only a few seconds long, that would amaze and overwhelm the others and would make them say, ‘I didn’t realize you could do this with that hardware.’” Effort that all came to naught, he hastens

Arcade Fire

Since Atari kicked off the gaming era 30 years ago, players have gone from dropping quarters to plugging in consoles to powering up their phones



1972

Atari releases Pong, the first commercially successful arcade game



1977

Home consoles start to take off with Atari’s cartridge-based system, which allows users to play a variety of games on one device



1982

The golden age of video games peaks as an estimated 32 billion quarters are dropped into arcade machines in the U.S.



1983-84

Atari and its rivals implode, largely because of a flood of lousy games. In 1985 Nintendo’s new console and Super Mario Bros. revive the industry



1989

Nintendo’s Game Boy comes out, marking the beginning of the handheld-gaming revolution



Bob Smith and Rob Zdybel, Atari 2600
They made games for Atari's home console. Now they're reinventing the trackball for the iPad era

to add, if the rest of the team judged the effect to be unfun.

All told, there is a staff of 30 working to release seven original games in 2012, which is the size and pace of Atari circa 1978. Game publisher THQ has green-lighted every idea the company has pitched so far. Of the various titles under development, the one most likely to, in Blackley's estimation, "save the planet" or at least break new ground is a game code-named WW1 Dogfight. It is a fighting-game app that, as one might expect, pits two biplanes against each other over the skies of Europe. But what's novel about the setup in this turn-based game is that you and your opponent don't have to be playing at the same time. You can make a move by picking from a menu of choices (fly left, right, straight ahead) while waiting in line at the grocery

store. And your opponent might react—perhaps by choosing a more complicated maneuver, like a wingover or an Immelman—only after she has put the kids to bed. The computer calculates and animates the result. If either player manages to get the other in their sight, the game automatically shoots and adds up the damage before asking both players for their next move. The end result is an epic battle that plays out in spurts, kind of like an action-adventure edition of *Words with Friends*. And after the Red Baron has been shot out of the sky, you can sit back and watch an instant replay of the whole action sequence.

Turn-based tactical games are not a new concept; chess nerds were snail-mailing one another their moves long before everyone had e-mail. But Blackley believes that adding the element of asyn-

chronicity to the video-game version and putting it on an easy-to-use mobile platform represents a new paradigm in the industry. At the original meeting of the minds at Pebble Beach last summer, no fewer than three of the principals came to the gamestorming session with variations on this idea, which could be applied to other kinds of fighting games or sports games or even games with in-depth story lines. It seems tailor-made for casual gamers with short attention spans.

So, Innovative Leisure: old farts or Jedi Council? "It's not a nostalgia play," says Rae, who as head of the AIAS has a bird's-eye view of the industry. "If anyone can make it, these guys can." However, Rae cautions, as with any creative business, "no one knows anything until the games ship." The games, the first of which are expected to be released this fall, could flop. Or they could go viral.

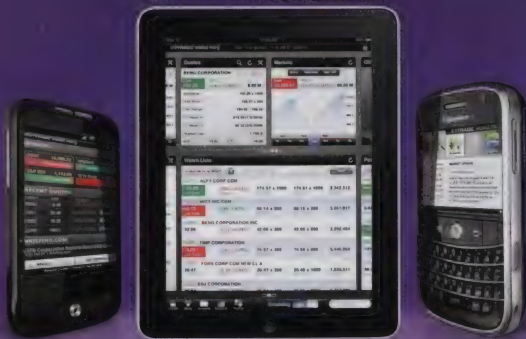
"I hope Seamus makes me rich," says Dennis Koble, 63, reflecting on the fact that when he designed *Sprint 2* for Atari, his only reward was a small bonus on top of his small salary. Some of his former colleagues ended up wealthy after moving on to other tech ventures; others stayed in the game industry and never left the middle class. Yet everybody says getting back together isn't about the money. The real pleasure, they say, is in spending their golden years furiously building a time machine that is taking them back to their halcyon days.

"It's this unimaginable last chance to pretend that we know the great truths," says Merritt, his voice cracking with emotion. "The Return of the Son of Atari," he says, riffing on the game world's penchant for making endless sequels. And in private, a good portion of the Innovative Leisure crew confided in this reporter as Lyle Rains, 60, did: "Don't tell Seamus," the *Tank* creator whispered, "but I would have done this for free." ■



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Television



Broadway, Bound. *Smash* looks and sounds good. It just doesn't quite feel real

By James Poniewozik

RIGHT UP FRONT, NBC'S *SMASH* GIVES YOU a reason to feel good about yourself for watching. Broadway lyricist Julia (Debra Messing) bemoans the current crop of musicals to her songwriting partner Tom (Christian Borle): "Revivals and movies—why doesn't anyone do *new* musicals anymore?" she asks. *Smash* is the TV musical about the making of just such a show: the life story of Marilyn Monroe. And there you are, watching it! You get it! You're not part of the problem!

Julia's complaint reads as a kind of manifesto for *Smash* (NBC, Mondays, 10 p.m. ET). *American Idol*, NBC's *The Voice* and, of course, *Glee* all piggyback on the power of existing pop hits. With its original music and urbane characters, *Smash* feels like an attempt to do *Glee* for adults: age-appropriate escapism. It's classy, not campy. (Instead of kids throwing slushies, Oscar winner Anjelica Huston throws martinis.) It's got a creative team with pedigrees to overfill a marquee: Steven Spielberg produces with theater vets Craig Zadan and Neil Meron; playwright Theresa Rebeck created and writes it; Tony winners Marc Shaiman

and Scott Wittman (*Hairspray*) do the music. It's polished, professional and reverent of Broadway—sometimes to a fault.

As a production, *Smash* is risky; Rebeck had to map out an actual musical while also planning the first season, and there's one original song for each of its 15 episodes. (Beyond those, *Smash* is as much a jukebox musical as *Glee*, featuring covers of hits like Christina Aguilera's "Beautiful.") These characters do a lot of karaoke.)

As drama, though, it's a conventional showbiz story with familiar types. Vying for the lead in the early episodes are Ivy (Wicked's Megan Hilty), a sultry blonde worn down from years in the chorus, and Karen (*Idol* runner-up Katharine McPhee), a doe-eyed brunet ingenue with a patient

As a production, NBC's TV musical is risky. But as a drama, it's a conventional showbiz story with familiar types

Blond ambition McPhee, far left, and Hilty square off to be the next Norma Jean

boyfriend and worried folks back home in Iowa. Judging between them is snaky but brilliant director Derek (Jack Davenport), a caustic British lech whose casting couch has frequent defiler miles. His producer Eileen (Huston) battles cash-flow problems related to an ugly divorce from a philandering husband (hence the serial cocktail-hurling).

Rebeck's eye for the backstage minutiae of theater should please Broadway fans. She has a feel for the give-and-take of creative collaboration, which can be tough to dramatize. The best relationship in the show is the work marriage of Tom and Julia. (He's gay; she's straight and married.) Other aspects are pat and expected—the affairs, the rivalries and the interpretation of Marilyn herself. (She just "wanted to love and be loved.")

Does it sing? Hilty is saucily convincing (refreshingly for TV, she has actual '50s curves, which helps the Marilyn impression), while girl next door McPhee is more persuasive singing than reading lines. "Let Me Be Your Star," the audition song that closes the pilot, is manipulative in the best way: as Karen and Ivy trade lines, Marilyn's hunger for fame becomes theirs. Other originals are weaker, like a forced Marilyn and Joe DiMaggio duet: "Call the justice of the peace! But don't tell him our names! Don't put out a press release! Or mention baseball games."

We're meant to see that *Marilyn: The Musical* is very good—partly because characters keep saying so and partly because it looks exactly as you'd expect it to. Which is also true of *Smash*. It's slick, well produced and easy on the ears. It's just not in any way surprising.

That approach may make *Smash* a hit. Yet NBC's musical comes along at a time when the best of Broadway (and TV) involves an element of chaos—*Avenue Q*, say, and *The Book of Mormon*. *Smash* could use more messiness—the kind of windmill punch the undisciplined *Glee* pulls off at its best, the disorder that conveys real life. *Smash* has pipes and polish, but as Marilyn knew, sometimes you gotta throw the audience some curves. ■

Sports

No More Tears. How child's play can help prevent ACL injuries

By Sean Gregory

IN THE SECOND HALF OF A SEPTEMBER FOOTBALL game, Nick Denove, 11, went out for a pass. He cut toward the middle of the field as he had done so many times before—the Naples, Fla., youngster had been playing Pop Warner football since he was 5. This time, however, Denove collapsed to the ground like a hunted duck. He tore his anterior cruciate ligament (ACL), the tissue that gives jocks knee stability when they play sports. “Are you kidding?” Nick’s mother Lisa thought when she heard the news. “Torn ACLs happen to pro athletes or weekend warriors.”

And, it turns out, little kids. The Children’s Hospital of Philadelphia (CHOP) has uncovered data to support the anecdotal evidence surgeons were gathering: the number of ACL tears treated at CHOP rose 400% from 1999 to early 2011, increasing 11% annually. Meanwhile, incidence of what was previously thought to be the most severe child knee injury, the fracture of a piece of bone called the tibial spine that juts up from the shinbone, rose just 1% over this period. “Kids are now doing the same sports as their heroes,” says Dr. Theodore Ganley, a leading pediatric surgeon at CHOP who commonly treats these injuries in younger teenagers and once had to fix the ACL of a 6-year-old. “They’re doing things year-round, in multiple teams, in multiple leagues. Now they are getting the same injuries as their heroes.”

The main culprit for this spike is the intensity of organized sports. As kids play on more specialized travel teams, they increase their chances of getting hurt. But some doctors also suspect that the nature of modern play could be contributing to these injuries. If you’re more likely to concentrate on, say, soccer from a very early age, you’ll be constantly repeating the starting, stopping, jumping and pivoting motions that can lead to an ACL tear. You may develop strong quads, but what about hamstrings? What about your upper body? Imbalances in neuromuscular development leave you with less overall balance and higher levels of injury. But if children play a variety of games outside of organized sports, they can develop more muscle groups. They’ll be more likely to slack off when they get tired, out of earshot of taskmaster coaches. “We don’t feel like we see these injuries

in free play,” says Dr. Todd Lawrence, another CHOP surgeon.

Better warm-up exercises are key to helping prevent ACL tears in kids, doctors say. That means less reaching for their toes with the zeal of a fork picking up peas and more dynamic stretches—like lifting a knee to the chest—plus squats, hops and jumps. Studies suggest that such plyometric exercises can reduce ACL-injury risk. Darin Padua, an injury-prevention expert from the University of North Carolina, designed a pediatric program geared toward 10-year-olds that breaks stretches into shorter time chunks in order to hold a child’s attention span. The exercises increase kids’ body control, decreasing the chance of an ACL tear.

It’s hard to preach injury prevention to children who just want to get out onto the field. So doctors recommend touting the performance-enhancing benefits. Kids who followed a CHOP injury-prevention exercise program, for example, were shown to jump higher. Kids like having hops. And they hate sitting on the sidelines while their buddies go out and play. ■

400%

Percentage increase in ACL tears treated at the Children’s Hospital of Philadelphia from 1999 to early 2011



Joel Stein



Most Valuable Prayer. Forget the stats. For the Super Bowl, I'm betting on the team with the winningest chaplain

I'VE WATCHED ENOUGH POSTGAME interviews to know that what wins football games isn't the quarterback or the offensive line; it's God. So to figure out which team is going to win this year's Super Bowl, I went straight to the guys who serve as middlemen between God and the players. The team with the best chaplain isn't just going to win but, from what I understand about theology, will also totally cover the spread.

Almost every NFL team has a chaplain who runs weekly Bible study and holds a short service on Saturday nights before games. Although I'm sure honesty is a key part of each of their belief systems, it is not a huge part of mine, so I left out the part about wanting to talk to them strictly for gambling purposes.

The Giants' chaplain, George McGovern, is a kindly, white-haired man who is paid by Athletics in Action, a ministry of Campus Crusade for Christ that places pastors with most of the big football colleges and pro teams. After being a campus chaplain at Rutgers, he worked with the Jets and Mets from 1990 to 1995 before getting traded to the Giants and Yankees. McGovern is going to his third Super Bowl with the Giants, and the Yankees have won five World Series under him. God loves this guy more than he loves Tim Tebow.

I asked McGovern why his speeches have been so much more successful than those of any other George McGovern, but he said he has nothing to do with the outcome of the games. Which seemed like exactly the kind of Job-like humility that God loves. McGovern insisted that when he meets the 25 or so players and coaches—the most attendees in team history—for the Saturday sermons, he doesn't even talk about the game. "It's not a pep talk. It's not a

'God, help us win tomorrow.' I've never heard a player or coach ask for a victory. It's always thanking God for opportunities or health or 'Give us the strength we need to play with passion,'" McGovern told me. I did not like the sound of this. From what I know about the Old Testament, God doesn't respond to the soft sell. He's more of a tie-your-firstborn-to-the-altar kind of guy.

When I asked McGovern to inspire me, he gave me a bit of the 20-minute sermon he delivered the night before the Giants beat the 49ers in overtime. It was actually a very thoughtful, touching talk about fatherhood that quoted Moses and the apostle Paul. But it didn't make me want to win a game. It made me want to skip the Super Bowl party I was going to go to and take my son to the park.

I was about to put a lot of money on the Patriots when I learned that the Patriots are one of the very few NFL teams without a chaplain. They do, however, rely on Don Davis, who was the team's chaplain until 2010, when he moved to Virginia.

Davis, who is going to Indianapolis to give the team sermon on Saturday, is a two-time Super Bowl winner and ex-Patriots linebacker. This guy sounded like a King David-level winner, the kind of guy who would talk about parting seas of line backers and the fact that if God wanted the Giants to beat the Patriots, he would have landed the Pilgrims in East Rutherford, N.J.

But when I asked Davis to lay some of his pregame sermon on me, he said he wasn't sure what he was going to say yet. This was like hearing that Bill Belichick hadn't started working on his Super Bowl playbook or Tom Brady hadn't selected a hairstyle. When I pressed Davis, he said he was thinking of speaking about legacy. This seemed great until he explained that he meant the legacy the players would leave besides the Super Bowl. "I've played in a few of these Super Bowls and coached in one. They were big deals when you played, but life goes on," he said. "It's the things you do outside that have an impact forever." When Davis gives this downer of a speech, he isn't even going to wear his Super Bowl rings. He says that sometimes when chaplains who aren't ex-athletes give their sermons, they try to talk about the game, which comes off as "cheesy." Davis seems to be the one American who does not understand what a big deal the Super Bowl is. I'm sure Davis would have told Moses that asking God to let his people go would be "cheesy."

After talking to both chaplains, I realized that when players thank God at the end of a game, they're not saying God liked their team better. They're actually being modest, saying they realize how small a part they played and expressing gratitude—just as they would for a meal, their health or a Friday. A chaplain doesn't have anything to do with the game. He's with the team for the same reason the caterer and the travel agent are: to provide basic services for guys who travel a lot.

So I'm not going to make a bet. Which I'm guessing is what both chaplains wanted all along. Man, they're good.

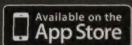


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10 Questions



Maya's mom, "Lovin' You" singer Minnie Riperton, died of breast cancer when Maya was 5

Comedian and actress **Maya Rudolph** holds forth on kosher salt, leg warmers and her Oprah impression

Ava, your character on *Up All Night*, is a woman who is kind of mystified by kids. Do you know people like that?

I've met people who are baffled by children, as though they were never children themselves. I think that people who don't like kids are awful people. Ava's just clueless about them, which I find funnier.

What do you think is the biggest divide between women who have children and women who don't?

Before I had my daughter, my job at *Saturday Night Live* was my everything. It was my husband, it was my children, it was my love. I used to take so many things seriously, like "What do you mean he didn't do the fart joke? Why not?" Children sort of allow you to only have room for important things in your brain.

You're the daughter of singer Minnie Riperton and music producer Dick Rudolph. Was there a certain inevitability to your career choice?

I remember seeing my mom onstage. When that's what you see, that's what seems normal. I always wanted to be a funny person, but I thought it would be an amalgam of funny mixed with music.

You wanted to be "Weird Al" Yankovic?

That or like a backup singer for Steely Dan or something. I like harmonizing. I don't like

singing alone. I don't sing like my mom. I have more of a natural ear, and I pick stuff up, which is probably why I ended up doing impressions.

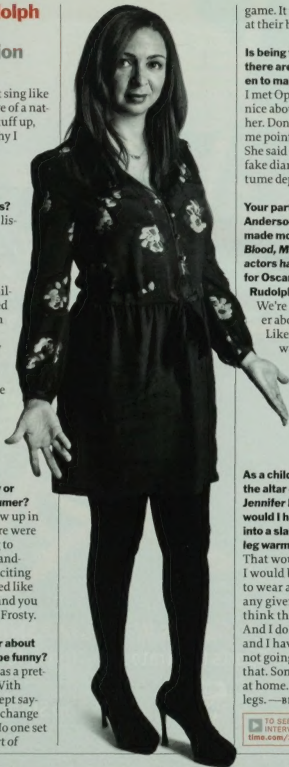
Do you listen to your mom's old recordings?

It was hard for me to listen to her for a long time, but there was some sort of magical healing process that went with having children that sort of cured me of that, which I'm very grateful for. "Lovin' You" is a very sweet song, but it's not like "Oh, we're all dancing!" It's more touching.

Your grandfather owned all the Wendy's in Dade County, Florida. Are you an original-Frosty or a parfait-Frosty consumer? Original Frosty. I grew up in Los Angeles, and there were no Wendy's, so going to Miami to visit my grandparents was really exciting because Wendy looked like Pippi Longstocking and you could get a chocolate Frosty.

Is the discussion over about whether women can be funny?

I always thought it was a pretty lame discussion. With *Bridesmaids*, people kept saying, "Oh, it's going to change things for women." No one set out to change any sort of



game. It was just funny people at their best.

Is being funny easier now that there are more powerful women to make fun of?

I met Oprah. She was very nice about my impression of her. Donatella Versace gave me pointers—a lot of them. She said she would never wear fake diamonds. I let the costume department know.

Your partner Paul Thomas Anderson is a director who has made movies (*There Will Be Blood*, *Magnolia*) for which actors have been nominated for Oscars. When is the Maya Rudolph vehicle coming?

We're doing a movie together about the history of salt. Like *There Will Be Blood* was about oil, it's going to be about salt.

There Will Be

Seasoning...

There Will Be Kosher Salt, because I am half Jewish.

As a child, you worshipped at the altar of *Flashdance*-era Jennifer Beals. How much would I have to pay you to get into a slashed sweatshirt and leg warmers?

That would be free of charge. I would be more than happy to wear a cutoff sweatshirt any given time of day. I think they look terrific. And I do like leg warmers, and I have worn them. I'm not going to lie to you about that. Sometimes I wear them at home. They warm your legs. —BELINDA LUSCOMBE

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